

INSUR. LAB.

# The National Underwriter

## LIFE INSURANCE EDITION

FRIDAY, OCTOBER 22, 1926



## Peoria Life Insurance Company

Peoria, Illinois

### *Bouquets for the Managers*

Four years ago we introduced a new feature into our year's agency program—Managers' Month. Peoria Life agents gladly accepted this opportunity to express their esteem for the State and District Managers with whom they serve. October has become one of the most satisfactory months in the whole Peoria Life calendar.

Why? Because Peoria Life managers are selected on the basis of qualities that command the respect of their agency organizations. There is nothing of superiority, or indifference, in their relations with their agents. They know it is fundamental with the Peoria Life that, once having made contract with an agent, the burden is on the Company

and the manager to promote his success. With all that, they conduct the business of their agencies on business principles and with scrupulous fairness, which is thoroughly appreciated by life insurance men.

Further, Peoria Life managers are popular because they know the problems of the soliciting agent and how to help him effectively. They have that knowledge because they were themselves successful producing agents before they were managers. The Peoria Life makes its promotions from the ranks of its own agents, which guarantees that its managers have a sympathetic and practical understanding of the needs of the man in the field.

Managers' Month is an expression of the good feeling and loyalty which characterizes the Peoria Life Agency Force.

# WASTE

The first great problem with which the human race forever struggles is how to live as long as possible. To live at all humanity must fight disease, from birth.

The advance made into the *terrain* of this common enemy in recent years, chiefly through discoveries in pure science, makes a story more thrilling than Stanley's journey across the Dark Continent, more romantic than Amundsen's flight over the Top of the World.

Whatever science is now saving through a better longevity has hitherto been waste, but a waste *man-kind in the mass could not control; it could however and, in a limited way, now does avoid utter waste through co-operation.*

Outside of disease there are other enemies to be overcome.

Amongst these enemies are:

*Ignorance;*

*War;*

*Bad Sociological programs;*

*Lack of a proper sense of individual responsibility;*

*Lack of appreciation of the value of human life, the only real value in the world.*

## ALL THESE ARE CONTROLLABLE ENEMIES

The battle of science against disease helps; it lengthens life, but does not solve the problem.

The battle against the controllable enemies is the great current, always present battle.

Ignorance and war with resultant maladjustments, are man's arch enemies, the great causes of waste.

Human life, the only real value, is now constantly snuffed out by its controllable enemies, leaving liabilities and not assets. Intelligent co-operation can prevent that.

Every life is an asset to everybody if it is not wasted.

War with its hideous waste seems as yet uncontrollable. But in the long run ignorance is a deadlier foe than war.

Premature death from disease, which happens in spite of all scientific knowledge, is without a specific plan to meet it, sheer waste.

Premature death from war not only destroys values and disrupts life plans but leaves debts for other people to pay; even that monstrous waste can be adjusted, through co-operation, so as to be really less burdensome.

Premature death from any cause usually means helpless wives and mothers, children either half educated or educated in crime, all at the expense of society.

The value of a life can be in part replaced by cash through co-operation; that helps the taxpayer, liquidates liabilities and gives children a chance.

While humanity is struggling to eliminate disease, to eliminate the rivalries of nations, rivalries in business, the blunders of ignorance, rivalries in the churches, and the cruelties of the strong; lifting the burdens imposed on society by the lazy and the incapable, Life itself (individuals, men, women, children) must, in order to preserve its great but fugitive value, organize intelligently; it must express itself in current values, must through co-operation translate itself into bonds, mortgages, real estate and cash. That sounds materialistic; but there is no other even partial equivalent for the intangible personality which, living, is of immeasurable value and eliminated without a program which in part replaces it, becomes worth less than nothing.

How to do all that as against both kinds of waste, the controllable and the uncontrollable?

Did you say Life Insurance?

Of course you did.

**LIFE INSURANCE IS A MILITANT, AN ORGANIZED CRYING OUT TO HUMANITY TO STOP WASTE.**

**IT HAS AS YET CAUGHT UP OUT OF THE NIAGARA OF WASTE ONLY A FEW BILLION DOLLARS OF THE INEXPRESSIBLE BILLIONS THAT HAVE FOR AGES RUSHED INTO THE OCEAN OF WASTED VALUES.**

Life Insurance is the first business in the world, first in its moral appeal, first in its scientific processes, first in its fight against life's enemies, first in its correction of maladjustments, first in eliminating waste, almost first now in its accumulations.

Ask at one of our Branch Offices about this Company. Learn how you can eliminate waste, how you can serve yourself and your neighbor as well.

**NEW YORK LIFE INSURANCE COMPANY**

**DARWIN P. KINGSLEY, President**



# The National Underwriter

## LIFE INSURANCE EDITION

Thirtieth Year, No. 43

CHICAGO, CINCINNATI, AND NEW YORK, FRIDAY, OCTOBER 22, 1926

\$3.00 Per Year, 15 Cents a Copy

### TAX LIFE COMPANIES ON ACCIDENT CLAUSE

**Total Disability and Double Indemnity Provisions Are Held Casualty Insurance**

### NEW YORK LIFE DEFEATED

**Government Wins on Ruling Affecting All Companies—Calculations as Costly as Tax**

WASHINGTON, Oct. 20.—Life insurance companies doing a casualty business are subject to taxes as casualty companies under the revenue act of 1917. The United States Supreme Court today declined to issue a writ of certiorari to bring before it the appeal of the New York Life from a decision of the circuit court of appeals in favor of the government.

This is a civil case arising under the revenue acts of 1917 and 1918 in which the United States sued the New York Life to recover \$9,537 under those laws as a tax on corporations transacting casualty business. The company denied its liability and held that it had met its tax obligations as imposed by section 504 (a) of the 1917 act and section 503 (a) of the 1918 act. The government sought to impose additional taxes under sections 504 (c) of the 1917 law and 503 (c) of the 1918 law.

#### Lost on Both Phases

The trial court rendered judgment in favor of the government on the disability benefit claim and in favor of the company on its double indemnity claim. The court of appeals affirmed the judgment in favor of the government and reversed the judgment in favor of the company.

Practically all life companies doing business in the United States are interested in the final disposition of this case, the Supreme Court was informed. Some have suits pending, some have paid a compromise sum, and all are looking forward to the decision of the Supreme Court for the settlement of their rights. It is not known that any other suit has been brought to trial, but should they be proceeded with the decision of the court of appeals will govern in the absence of new material. The New York Life case was tried on a stipulation of facts.

#### Reenacted Stamp Tax

In the revenue act of 1917, Congress reenacted the Spanish War tax and assessed a tax of 8 cents on each \$100 or fractional part of cover provided by life, marine, inland, fire and casualty policies. The various companies stamped their policies similarly according to the law and no contract under any one of the three classes ever was dissected or claimed to require stamping under another of the three classes. It was explained to the court that the business of insurance is divided into three

### PROGRAM FOR MEETING

#### AGENCY OFFICERS GATHERING

**Life Insurance Sales Research Bureau Will Hold Its Annual Convention in Chicago**

The tentative outline of the program for the meeting of the Association of Life Agency Officers and the Life Insurance Sales Research Bureau to be held at the Edgewater Beach hotel, Chicago, Nov. 16-17, has been announced. The following is the program:

**Tuesday, Nov. 16**

Meeting of Association of Life Agency Officers.

- Topics for discussion:
1. Selecting the proper type of agents.
  2. Methods employed to determine that a man has the desired qualities.
  3. Where are we most likely to find the type we want and what is the best method for their discovery?
  4. Selling the job to the prospective agent.
  5. Speeding up the sales force.

**Wednesday, Nov. 17**

Meeting of Life Insurance Sales Research Bureau.

- Topics for discussion:
1. Report of Bureau on methods of training agents.
  2. Consideration of ways and means to retain business.
  3. The job of the manager.
  4. Relations between life insurance companies and trust companies as an aid in producing new business.
- Both meetings are open to the agency officers of the United States and Canadian companies irrespective of whether their company is a member of either organization.

classes—(1) life, (2) marine, inland and fire, and (3) casualty.

#### Not Health or Accident

At the time this law was passed, life companies issued policies providing for double indemnity and disability benefits, but no company, the court was informed, "ever reported the premiums received for such benefits as premiums received for health or accident insurance." It was added that the laws of some of the states prohibit life underwriters from assuming a risk other than life insurance, but that no state has ever claimed that these policies were anything but policies of pure life insurance.

Pointing out that it never has been asked by any state, territory, district or country to conform to laws relating to casualty, accident or health insurance, or to pay any tax or fee to which companies writing that kind of cover are subject, the company said, "If double indemnity and disability benefits are casualty insurance, this and every other company issuing such policies is liable in many states for taxes, licenses and fees for doing a casualty business."

#### Effect on Accident Policies

On the ground that accident policies provide for a death benefit and in this respect accident policies should be considered as life insurance, they should be taxed under that section of the law which provides, "if life insurance policies are accident and health policies because the contracts provide for paying a

### MOVING HEADQUARTERS

#### WILL FUNCTION NEXT WEEK

**American Life Convention Change Being Made—Committees Are Named by President**

The office of the secretary and the headquarters of the American Life Convention are being moved from Omaha to St. Louis this week, and will be functioning by next Monday. Claris Adams, the new secretary and general counsel, is in St. Louis this week and will formally assume charge of the office on Monday. Mrs. L. F. Beymer, assistant secretary, and Ralph H. Kastner, who has been in the Omaha office, will be on duty in St. Louis next week. Former Secretary T. W. Blackburn will assume the duties of associate counsel and, though he will be in St. Louis from time to time his headquarters will remain in Omaha. William Ross King, editor of the Legal Bulletin, will not move to St. Louis and will cease to be editor of the Bulletin. The new offices are in the Shell building and will house not only the American Life Convention, but the American Service Bureau. Fisher Simmons, vice-president of the American Service Bureau, will continue in the management of that organization in St. Louis until Jan. 1, when he retires.

#### Names Committees

H. M. Woollen, president of the American Life Convention, has announced the appointment of the standing committees, of which the following are chairmen: Agents and agencies, James A. McVoy, Central States Life; blanks, Franklin B. Mead, Lincoln National Life; credentials, S. B. Bradford, Central Life of Illinois; departmental supervision, Frank P. Manly, Indianapolis Life; finance, Robert D. Lay, National Life, U. S. A.; grievances, E. E. Sallee, Bank Savings Life; investments, C. F. Williams, Western & Southern Life; medical examination, Dr. S. DeZell Hawley, Atlas Life; membership, H. G. Scott, Reliance Life; next annual meeting, W. W. Moore, Inter-Southern Life; publicity, Claris Adams, American Life Convention; resolutions, A. C. Bigger, American Life Reinsurance; uniform laws, Guilford A. Deitch, Reserve Loan Life; miscellaneous, F. L. Brown, Rockford Life.

The following chairmen were named for the special committees: Reorganization of secretary's office of the American Service Bureau, Herbert M. Woollen, American Central Life; under-average lives, C. H. Beckett, State Life of Indiana; total disability, Dr. Henry Wireman Cook, Northwestern National Life; American Service Bureau, R. W. Stevens, Illinois Life; lapses, Harry L. Seay, Southland Life of Dallas.

different sum if death occurs in one way than if it occurs in another, and contain appropriate and beneficial provisions for safeguarding the insurance against lapse." The company protested against double taxation.

"The practical difficulties of administering the law as now construed," the company concluded, "are so unreasonable

(CONTINUED ON PAGE 10)

### DANGERS IN MAD RACE FOR SIZE ARE SHOWN

**May Bring on Another Investigation Such as Armstrong Upheaval**

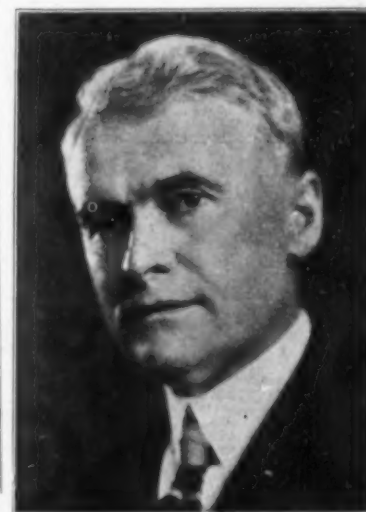
### SAFETY IS GREAT FACTOR

**Departures From Sound Underwriting Principles May Undermine the Basis of Life Insurance**

**BY FRANK P. MANLY**  
**President Indianapolis Life**

[The following are excerpts from an address given by Mr. Manly in Milwaukee Wednesday at the celebration of Wisconsin Insurance Day.]

Life insurance is the safest business in the world. It is based on an unchanging law of nature, the average duration of human life; on the average



**FRANK P. MANLY**  
**President Indianapolis Life**

earning power of money invested in safe securities, which varies but little from decade to decade, and on absolutely sound mathematics. The business is both safe-guarded and encouraged by sound legislation and intelligent regulation. It is not affected by changes in vogues or styles, or by inventions; it is free from labor troubles; it is in no way a speculative business, or a business for speculation. This cannot fail to create in the minds of policyholders and the public the impression that there is enormous profits in the business to warrant the payment of such sums for control.

#### Prosperity Hard to Face

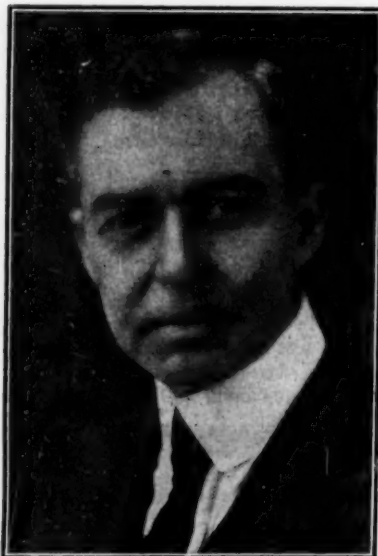
Following the earlier years of experimentation in perfecting field organizations, in the establishment of fair and

(CONTINUED ON PAGE 11)

**AGENTS HOLD MEETING****GREAT SOUTHERN CONVENTION**

**Texas Company Entertains Its Leading Producers With Recreational Program Held in Dallas**

DALLAS, Oct. 20.—Some 125 agents of the Great Southern Life of Houston in Texas, Louisiana, Oklahoma, Mississippi, Missouri and New Mexico were in Dallas this week for the annual agency meeting. This year the Great Southern deviated from the usual procedure for agency conventions. Instead of having a school for instructing agents who have already made a mark in the insurance game, the company staged an experience meeting at which the agents from all sections of the territory rubbed elbows, swapped business yarns and traded sales methods. The agents attending the Dallas convention were men who have written \$100,000 or more life



**E. P. GREENWOOD**  
President Great Southern Life

insurance for the company during the past 12 months. To them the convention, with all expenses paid, was in the nature of a vacation.

**Was Chiefly Pleasure Trip**

To be sure there were business meetings where agents discussed insurance writing, but the most of the time in Dallas was spent seeing the state fair, attending theater parties, going on sight-seeing trips about the city or in informal conferences. There was a luncheon the first day after the agents were registered. That was followed by a visit to the state fair. In the evening there was a banquet at which there was some speaking from which the agents learned a great many things concerning the actual operation of a big life insurance company, some things the state is doing to put the insurance business on the highest possible plane and so on. The second day of the convention consisted of a business meeting at which routine matters were discussed and more success stories related by the leading salesmen of the company. That was followed by another luncheon and the luncheon by a theater party.

**Is Next to Ministry**

The chief speaker at the mutual banquet was E. P. Greenwood, president of the company, who told of the company's business and its growth. Mr. Greenwood assured the agents the company will do everything possible to aid them in shattering the records of this year before the return next year to the convention. He said the company now has \$160,000,000 insurance in force and that its assets total \$20,000,000. Rev. E. P.

**LIFE SPAN IS LONGER****FISKE SEES 65 AS AVERAGE**

**President of Metropolitan Life Is the Speaker Before Anglo-Catholic Congress at Milwaukee**

MILWAUKEE, Oct. 21.—"Modern medical methods are gradually increasing the number of years that can be normally expected and the span of life as estimated in the Bible, threescore and ten years, is becoming obsolete," said Haley Fiske, president of the Metropolitan Life, in an interview in Milwaukee last week. Mr. Fiske was in Milwaukee to address the second annual meeting of the Anglo-Catholic Congress, being one of the few laymen on the program. He is the uncle of the Rt. Rev. Charles Fiske, bishop of central New York, who took a leading part in the congress.

Mr. Fiske looks for the average span of life for Americans to be 65 years or more in the future, compared with 40 years, the average in 1880, and 57 or 58 years which is the present average. The rate of life in America has been increased 15 percent in less than a half century, said Mr. Fiske, due to the modern public health campaigns, and the money spent in curbing epidemics, in public welfare work, in advertising health and removing the dread of the scourging diseases have brought returns double the cost, showing that advertising health has paid. With the increased span of life, people have been able to earn more and the risk has been lessened for life insurance. He said he was 75 years of age and still going strong, and that anyone is entitled to live longer than 70 years.

The development of the struggle between capital and labor was traced by Mr. Fiske in his address at the congress. His subject was "The Catholic Religion and Industrial Relations." He showed how the struggle had begun with the industrial revolution and explained the various bitter quarrels between employee and employer through the years, but proclaimed a new era to be at hand when capital and labor each sought to mediate disputes.

West, pastor of the Baptist Temple of Houston, a minister who never misses an annual convention of the company, delivered the most interesting address at the convention. His subject dealt with life insurance in connection with the religious duties of men. He traced the origin of life insurance back through the Bible and said it is just as much the duty of a man to provide for the protection of his loved ones or for himself in old age as it is to provide food and shelter for his family. He characterized the calling of life insurance as one next to the ministry and urged life insurance salesmen to make an effort to sell all family heads in order that dependents may better be able to live righteously.

**Two Bankers Speak**

John T. Scott, president of the First National Bank of Houston, formerly with the insurance department, and F. F. Florence, vice-president of the Republic National Bank of Dallas, were the bankers who spoke to the insurance men. They pointed out that life insurance is more and more becoming a necessity in negotiating loans at banks. R. L. Daniel, state insurance commissioner, discussed the problems of the state and what the department is doing to put the insurance game on a plane as high as the banking business.

**Meet Next Year at Banff**

At a meeting of the board of trustees of the National Life of Vermont it was decided the next annual meeting will be held at Banff, in the Canadian Rockies, but no date has yet been fixed.

**COMPANY IS LAUNCHED****SENTINEL LIFE PLANS SHOWN**

**Personnel of New Running Mate for Employers Indemnity Announced—Ex-Governor Hyde Is President**

Arthur M. Hyde, ex-governor of Missouri, will be president of the new Sentinel Life of Kansas City, which has been organized by E. G. Trimble, president of Employers Indemnity, and Charles M. Howell, insurance counsel, of Kansas City. Mr. Hyde is a brother of Insurance Superintendent Ben C. Hyde of Missouri, and a member of the law firm of Hyde & Hyde of Trenton, Mo., where the ex-governor has his residence. Shortly after the fall election, however, he will remove his family to Kansas City, but avows that his entry into insurance circles in an official capacity will not terminate his interest and activity in Missouri politics. Mr. Hyde has been prominently mentioned as a successor to Senator James A. Reed of Missouri, who declares that he will not return to the United States Senate after expiration of his present term.

**New Line-Up Given**

Chairmanship of the board of the new Sentinel Life will be held by E. G. Trimble. Charles M. Howell will be chairman of the executive board and general counsel for the company. Frank L. Barnes, at present assistant secretary and manager of the accident department of Employers Indemnity, will be vice-president of the Sentinel, and F. L. Hildebrand, who is now agency supervisor, will be superintendent of agencies and assistant secretary. S. W. Izard and E. E. Smith, who are respectively secretary and treasurer of the Employers Indemnity, will be secretary and treasurer of the new company. Dr. E. L. Mathias, Kansas City medical advisor of the Employers Indemnity accident department, will be medical director.

Complete personnel of the board of directors has not been announced, but among those included in the roster will be the following Kansas City men: M. B. Nelson, president Long Bell Lumber Company; James E. Chandler, president Meriden Creamery Company; T. J. Pendergast, capitalist and prominent democratic politician; Frank C. Harvey, manager Western Reciprocal Underwriters; J. J. Lynn, president U. S. Epperson Underwriting Company; James A. Carpenter, president Kansas City Paper House; G. M. Payne, president Rankin-Benedict Underwriting Company; Joseph J. McGee, of Thomas McGee & Sons, insurance brokers.

**Plan Extensive Campaign**

The new life company will launch its business by issuing a large group of charter policies, a form especially prepared for the initial group of policyholders. A complete series of nonparticipating life policies of all popular forms has been prepared and eventually the company plans to issue the participating forms also. Miles M. Dawson & Son of New York City are actuaries for the company.

A large part of the business of the accident department of the Employers Indemnity will be taken over by the Sentinel Life, and future development in accident and health lines will be carried out through the accident department of the Sentinel. The Employers Indemnity will, however, maintain an accident and health department.

The home office of the Sentinel Life will be in the Insurance Building in Kansas City, where it will occupy an entire floor. The company will be licensed as rapidly as possible in about 40 states to serve immediately the existing accident agency force of the Employers Indemnity which will go with the new company. The management announces that it intends always to cultivate intensively its home territory and

**REBATING IS CHARGED****CINCINNATI CASE IS HEARD**

**Superintendent Conn of Ohio Takes Up Complaint That No Interest Was Charged on Notes**

A hearing was scheduled Wednesday of this week at the office of Superintendent Harry L. Coffin at Columbus, O., which was attended by a committee of the Cincinnati Life Underwriters' Association and a number of other life men of that city to consider evidence in connection with alleged cases of rebating whereby policies are said to have been written in a prominent company on which notes for the premium for the first three years were taken without interest. This it is claimed by the Cincinnati men constitutes virtually a 36 percent rebate. The department has already ruled against this practice and characterized it as a rebate.

**How the Rebate Is Figured**

The way it is figured out is this: Assume a \$100,000 ordinary life policy at age 35 on which the agent agrees to take premium notes for the first three years without interest. The gross premium is \$2,635 or \$7,905 for the three years. The net premium, that is with dividends deducted, amounts to \$5,892. Assuming 6 percent interest, on the first year's premium there would be a rebate of 6 percent for three years or 18 percent; on the second year's premium a rebate of 6 percent for two years or 12 percent; and on the third year a rebate of 6 percent on one year's premiums or 6 percent, a total of 36 percent.

**Say Rebate Is Substantial**

Agents who have come into competition with the practice, which is followed principally on large policies, not only show that it amounts to a substantial rebate but that the agent is taking very little chance, even though once in a while the assured might fail to pay his notes, which has happened. They say the agent probably receives 50 percent first year commission and 5 percent renewal, or a total of 60 percent on a single year's premium on \$2,635. This amounts to \$1,581. The amount of the three premiums less the dividends is \$5,892. Deducting \$1,581 leaves \$4,311. The cash value of the policy at the end of three years is \$3,976, making a difference of only 307, which is all the agent would stand to lose in case the assured defaulted in all of his three premiums.

**Argument for the Sale**

The argument for the sale of this insurance is, of course, that the agent will finance the premiums himself until the policy has a sufficient cash or loan value virtually to cover the cost of the insurance, or within \$307 of the cost. In other words, even if the assured would drop his policy at the end of three years and paid his note, he would have had \$100,000 of life insurance for three years for \$307. It is stated that large policies have been written on this plan and that it has come to constitute an evil in the business in Cincinnati and elsewhere.

its initial campaign will be opened by a picked corps of 30 life men, who will take the field at once, soliciting the charter policy of the company. The new company starts out with \$250,000 capital and \$250,000 surplus, which will later be increased as needs of the business require.

**Address Indiana Sales Congress**

Herbert M. Woollen will address the northern Indiana sales congress, Oct. 23, at Fort Wayne, Ind., in behalf of the American Life Convention, of which he is president. Claris Adams, secretary of the convention, will also attend the sales congress.



## CENTRAL LIFE DROPS BANK-INSURANCE PLAN

Illinois Company Retires Permanently from Savings Deposit Arrangement

### DISADVANTAGES CITED

Others Express Contrary Views, However, Finding the Proposition Sound and Profitable

The Central Life of Chicago, which has been rather aggressive in the bank savings life insurance plan in Chicago, has decided to give up the scheme entirely and will write no more insurance of this kind. There has been considerable discussion among life insurance executives as to the possibilities of combining life insurance and savings deposits in banks. Some plans seem to have worked out successfully although the Central Life became convinced that it could not carry on profitably. The Central Life people wrote to some companies that had had experience with bank insurance and the replies to the inquiry were all discouraging. The main objection to the bank plan on part of those companies that have given it up is the very high lapse ratio and the fact that it is difficult to secure life insurance men that will sell this brand of insurance. Furthermore commissions are paid agents before reports are made to the bank and in many cases it is found that no deposit has been made. Therefore, some of the companies say that there is too much opportunity for deception before the company gets its records from the bank. One life insurance official makes this comment on the system:

#### Comment By Official

"The process which is usually followed in writing this insurance is to make a contract with a man who has a crew of salesmen and who will agree to make the arrangements with the banks for the sale of so-called thrift accounts with which is combined life insurance. The depositor simply agrees to pay so much a month which will go to a savings account and will also pay for \$1,000 life insurance for example. The premiums are all computed on the monthly payment plan. These men are not life insurance salesmen. They are men who have been selling different things and are picked up with the idea that they can make a quick canvass, secure accounts for the bank and not spend much time. Their talk is largely engrossed with the bank. The life insurance end of it is kept more or less in the dark because it is easier to sell the so-called thrift accounts than a life insurance policy. The purchaser therefore does not appreciate what he is getting in the way of life insurance. It is not explained to him. After he makes his deposit a month or two he begins to feel that he is paying too much. He drops out. The lapse ratio is terrifically high.

#### Disadvantages Are Cited

"We also find that very frequently commissions are paid agents on their daily report before the deposit starts in the banks. We get regular reports from the bank; but they are several days old. The salesman usually aims to sell three or four accounts a day. The names are furnished by the bank. They are usually lapsed savings account people. It is an easy matter to approach a person who has had a contact with the bank by stating that he comes at the request of the president or some other official. The canvass therefore centers about the bank and that is the thing featured.

## STAMPS IS PROMOTED

### VICTORY INCREASES CAPITAL

Chicago Company Has Started to Write Industrial Life Insurance—Joseph Retires as Manager

Following the resignation of I. J. Joseph, vice-president and general manager of the Victory Life of Chicago, J. E. Stamps, assistant general manager, has been made manager of agents and put in charge of production. The position of general manager has been abolished. V. D. Johnston, the secretary, is in general charge of the office. The Victory Life is of the two Negro legal reserve companies in Chicago. The Victory started to write industrial life insurance in June and now has \$500,000 in force. It has \$3,200,000 ordinary in force. This year it will write \$2,000,000 new business. It has two industrial superintendents, one located at the head office, 3021 South State street in Chicago in charge of H. W. Brown and the other on Blue Island avenue in charge of Irving I. Clark. The company is now admitted into nine states and is making excellent progress. Mr. Joseph may organize a new company. The Victory Life has increased its capital from \$100,000 to \$200,000. This gives it net surplus of \$100,000.

Naturally the banks are very strong for the plan because they are eager to devise any means that will hold savings accounts or bring new ones to them. They lose nothing by the transaction. They are not paying the salesman for getting these accounts. The insurance company is standing all the expense."

#### Contrary View Expressed

Quite the contrary view is taken by a manager who has had satisfactory results with the plan under his direction. This manager stated that it was his opinion that whatever objection had been heard as to the bank savings life insurance plan has come from those who have not been able to meet the problem on a satisfactory basis. He said that this bank-insurance plan is a distinct phase of business and is not an insurance proposition. For this reason, the organization developed to handle the plan must be built as a separate unit and completely divorced from both the routine of the bank and the routine of the insurance agency. He said that many managers who have undertaken the plan have assumed in error that life insurance agents are the proper persons to solicit these accounts. Others have assumed that bank solicitors are best fitted to handle the business. It is the opinion of this manager that neither of these opinions are correct, but that a unique and individual corps of solicitors must be developed who can appreciate the bank savings viewpoint and at the same time apply the insurance interest to the proposition. He said that it is not an insurance plan, but that the insurance is regarded merely as a guarantee of the savings account. Thus, while insurance must be pointed out as the safeguard of the investor, the chief interest is the investment phase and it must be sold as a savings account.

#### Calls Objections Biased

This manager said that most of the objections raised to the plan are the objections of those who have not been able to profit by their experiments or those who have not acquainted themselves with the details. In either case they are biased opinions and do not reflect the view of those who have undertaken to work out the fundamental problems of the bank-insurance plan and effect a workable program for it. As for the lapse rate, the feature cited by most insurance men as to its futility, this manager said that naturally the plan which provided for monthly pay-

## START WITH NEW YEAR

### PLANS OF LABOR UNION LIFE

President Woll Says Premium Rates Not Fixed, but Will Be Below Old Line Companies

DETROIT, Oct. 20.—At the concluding sessions of the annual American Federation of Labor convention, held in this city, announcement was made by Matthew Woll, president of the newly organized Union Labor Life, that the company will commence business shortly after Jan. 1. Mr. Woll, who is also fifth vice-president of the A. F. of L., stated that the starting of business at that time would be made possible through the completed payment of stock subscriptions necessary to make up a capital and surplus of \$300,000 each, thus permitting the operation of the Union Labor Life in every state in this country and in every province of Canada.

In answer to questions by a number of delegates regarding rates Mr. Woll stated that premiums for various kinds of policies had not been fixed thus far, but that these charges would be considerably under those now offered by old line life companies. He further stated that both individual and group policies would be issued.

#### Would Take in Benefit Associations

In the report of a special committee on the recommendations of the executive council of the Federation the pooling of trade union benefit associations with the Union Labor Life movement was recommended as a means of more fully realizing the potentialities of life insurance development and assuring adequate protection to members of affiliated trade unions. This recommendation was in line with the proposal of the executive council, pointing out the necessity for following actuarial principles in order to continue benefits safely and economically over a long period of years. The council report also pointed out that labor insurance ventures stand quite apart from labor banking, investment or security enterprises, since labor insurance is not a new thought or undertaking.

#### Says Purchase Sought

In further explanation of the possibilities of the new life company Mr. Woll stated that since the launching of this enterprise its purchase had been sought by one of the old line companies whose president declared that its operation would develop one of the most fruitful fields in the insurance business at the present time. He indicated that the Union Labor Life will be extended to all states in this country and all provinces in Canada as soon as possible after the commencement of business and added that it will be under the administration of competent actuaries with life insurance experience.

ments show a greater first year lapse rate, as there are 12 renewals instead of the one provided in the annual payment of a life policy, but that experience has shown that beginning with the second year the lapse rate is, if anything, more favorable on the bank savings plan than on the ordinary life business.

#### Indict Duffin in Income Tax Case

James R. Duffin of Louisville, until recently president of the Inter-Southern Life of that city, was indicted last week by the federal grand jury on the charge of avoiding certain items of his income tax return for 1923. Once before Mr. Duffin ran afoul of the internal revenue department. In March, 1925, Robert H. Lucas, collector of internal revenue for Kentucky, recorded a lien on his property for \$177,307, alleging that amount due on the amount included on Mr. Duffin's income tax for 1919, 1920 and 1921 and penalties.

## URGES RECOGNITION OF DISABILITY INSURANCE

Ray L. Hills Tells Ad Men This Is Much Neglected Branch of Business

### OPPORTUNITIES ARE CITED

Shows Field Open For Those Who See the True Relationship of Company Agent and Public

DETROIT, Oct. 19.—The opportunities for agents in the development of health and accident insurance and a need for a greater recognition of this branch of the business by advertising departments were stressed by Ray L. Hills, assistant vice-president of the Great American Indemnity, in his address before the Insurance Advertising Conference here today. Mr. Hill's speech was an appeal for a greater recognition of disability insurance as one of the greatest lines left for future development and one of the most valuable for use as an entree for the multiple line agent.

#### Shows Present Need

Beginning with a review of items from a 17th century diary which showed the great hazard to life and property, which then existed and which then could not be protected by insurance, Mr. Hills spoke of the increased hazard and increased need for protection which exists today. He said that the ever present hazards common to all, constitute a constant selling talk for the disability underwriter. He cited statistics which show that one person in nine meets with an accidental injury every year, one out of every ten deaths is accidental, over 12,000,000 accidents are incurred each year in this country, 23 are incurred every minute, 1,380 every hour—and all of these are briefly summed up as sales approaches for the agents in the daily newspapers. Adding to this the fact that only one in 19 eligible persons carries an accident policy, the opportunity of developing the line was made obvious. Mr. Hills said that the line is desirable because it is easily sold, renews well, pays a good rate of commission year after year and serves as an entering wedge to the development of other lines.

#### Opportunity for All

It was then pointed out by Mr. Hills that too many casualty agents are under the impression that accident insurance is a specialized line. He agreed that in some cases it is, but that in general large general insurance agencies have been built on the foundations laid by an intensive canvassing for accident insurance. He said this is the era of the multiple line agent, when customers are worth more than their sales and each one should be fully protected. Accident insurance is not only a part of this full protection, but it is often valuable as an entering wedge for the prospect who has not provided for any of his insurance needs.

#### Triple Relationship

As for helping the agent sell the business, Mr. Hills said that insurance today has become a strong triple relationship, the old interests of insurer and insured having extended to include the agent. He said that no phase of the business can be amply understood until all three interests, company, agent and policyholder, have been taken into consideration. Thus the advertising of the company should be directed to the interests of all three and not only an appeal made to the prospect, but to the agent himself. Mr. Hills expressed the

(CONTINUED ON NEXT PAGE)



## SEPTEMBER BUSINESS SURPASSES LAST YEAR

Ordinary Life Plan, However Shows a Decrease in Every Respect

### GIVE REPORT BY CLASSES

Association of Presidents Compiles Statistics for Use of United States Department of Commerce

NEW YORK, Oct. 20.—Writings of new life insurance by United States companies were 7.6 percent greater during the first three-quarters of this year than during the corresponding period of 1925. The increase for September likewise was 7.6 percent. These facts are revealed by a statement forwarded by the Association of Life Insurance Presidents to the United States Department of Commerce for official use. The compilation aggregates the new business records, exclusive of revivals, increases and dividend additions, of 45 member companies, which have 81 percent of the total volume of life insurance outstanding in all United States legal reserve companies.

#### Record for Nine Months

For the nine-month period the total new business of all classes written by the 45 companies was \$8,244,000,000 against \$7,664,000,000 in the same period of 1925, an increase of 7.6 percent. New ordinary insurance amounted to \$5,743,000,000, against \$5,474,000,000, a gain of 4.9 percent. Industrial amounted to \$1,876,000,000 against \$1,671,000,000, an increase of 12.3 percent. Group amounted to \$625,000,000 against \$519,000,000, an increase of 20.5 percent.

#### Business in September

For the month of September, the total new business of all classes was \$795,000,000, against \$738,000,000 in September of 1925, a gain of 7.6 percent. New ordinary insurance amounted to \$524,000,000 against \$526,000,000, a decrease of 0.3 percent. Industrial amounted to \$197,000,000 against \$175,000,000, a gain of 12.7 percent. Group was \$73,000,000 against \$38,000,000, a gain of 94.4 percent.

The new, paid-for business written in each of the first nine months of 1925

## URGES RECOGNITION OF DISABILITY INSURANCE

(CONTD FROM PRECEDING PAGE)

belief that direct advertising to the public will not sell the business. He said that the daily newspapers are the best advertisements of the hazards of life, the problem being to connect insurance with the thoughts of those hazards in a way that will help prepare the mind of the prospect for the agent's talk. The most important phase of disability advertising is the development of the agent's interests at the same time that public confidence is gained and maintained. Mr. Hills said that the advertising man should particularly watch the underwriter for every statement made in the advertisement. No publicity ideas can be well founded unless they come from within the organization and are based directly upon the product which the company has to sell.

#### Merchants Life Convention

The annual convention of agents and officers of the Merchants Life of Iowa, will be held in January, 1927, at San Antonio, Tex., with headquarters at Hotel Menger.

and 1926, as well as increases or decreases in 1926, as compared with 1925, are shown in the following table:

Ordinary Insurance			
Month	1925	1926	% Inc.
Jan....	\$ 523,654,000	\$ 560,289,000	7.0
Feb....	548,529,000	597,529,000	8.9
March...	654,771,000	724,454,000	10.6
April....	638,206,000	676,296,000	5.8
May....	698,706,000	702,309,000	.5
June....	638,195,000	704,852,000	10.4
July....	638,833,000	658,562,000	3.1
Aug....	607,621,000	595,929,000	-1.9
Sept....	525,532,000	523,915,000	-.3
	\$5,474,047,000	\$5,743,035,000	4.9
Industrial Insurance			
Jan....	\$ 147,441,000	\$ 227,155,000	54.1
Feb....	177,656,000	274,782,000	54.1
March...	198,604,000	230,209,000	15.9
April....	196,895,000	215,504,000	9.5
May....	217,735,000	235,207,000	8.0
June....	198,113,000	202,315,000	2.1
July....	182,991,000	194,315,000	6.2
Aug....	181,048,000	199,076,000	10.0
Sept....	175,114,000	197,277,000	12.7
	\$1,670,607,000	\$1,876,837,000	12.3
Group Insurance			
Jan....	\$ 68,957,000	\$ 66,280,000	-3.8
Feb....	36,696,000	33,088,000	-10.4
March...	40,797,000	74,782,000	83.3
April....	64,415,000	80,663,000	24.5
May....	39,041,000	56,458,000	44.6
June....	47,565,000	69,282,000	45.7
July....	54,947,000	78,125,000	42.2
Aug....	126,885,000	55,632,000	-56.2
Sept....	37,788,000	73,456,000	94.4
	\$ 519,091,000	\$ 625,352,000	20.5
Total Insurance			
Jan....	\$ 740,052,000	\$ 843,727,000	14.0
Feb....	762,891,000	855,299,000	12.1
March...	889,172,000	1,027,925,000	15.6
April....	901,516,000	971,453,000	7.8
May....	955,482,000	993,974,000	4.0
June....	883,873,000	976,449,000	10.5
July....	876,771,000	931,002,000	6.2
Aug....	915,554,000	850,637,000	-7.1
Sept....	738,434,000	794,648,000	7.6
	\$7,663,745,000	\$8,244,224,000	7.6

### PLANS OF THE JUDEA LIFE

Dividends on New York Company's Stock Will Help Build Jewish Home Land

NEW YORK, Oct. 21.—Much interest has been aroused here by a recent announcement of the plans of the Judea Life, which will have its headquarters in the Borough of Manhattan. The stock of the new company is owned by the Judea Insurance Company of Palestine, which in turn is owned by the Judea Industrial Corporation, a Zionist organization. Many leaders and friends of the Zionist movement have already promised to assist the incorporators of the new company in their desire to forward the growth of Palestine. The ownership of the stock by the Judea of Palestine will permit the dividends of the local company to be transmitted to the fatherland. Investments, of course, will be made primarily with an eye toward safety but also with a view of building up the Jewish home land.

In addition to the ownership of the new New York company, the Judea parent company is already operating a branch in Egypt, where in a short time it has won a remarkable success, attracting the patronage not only of the Jews but of the Arabs and other non-Jewish peoples. The organizers of the new company are laying plans to make it take its place among the best of life companies doing business in this state.

#### In Service Quarter Century

The 25th anniversary of Ben L. Lewis' connection with the Connecticut General Life was celebrated with a dinner at Columbus, O., Tuesday evening. About 40 persons were present and as a tribute to Mr. Lewis many applications were sent in by the members of the Columbus agency. Mr. Lewis has been a resident of Columbus about 20 years, now being associated with Charles R. Garvin, under the firm name of Lewis & Garvin. Among those in attendance at the dinner were President R. W. Huntington of the Connecticut General and the following from the home office in Hartford: L. B. Hendershot, educational director; Mel Schultheis, salary group; J. W. Coogan, Jr., group insurance, together with General Agent S. B. Lindsay, Buffalo, N. Y.; General Agent George A. Bredehoff, Toledo, and others.

## SIMON OPENS BERLET AGENCY SALES TALKS

Sums Up Essentials for Success in Life Underwriting of Today

### CITES HIS EXPERIENCES

Leading New York Producer for Massachusetts Mutual Gives Talk to Philadelphia Gathering

PHILADELPHIA, PA., Oct. 19.—The courage of one's own convictions concerning the value of life insurance, selling boldness, knowledge of the product, a greater knowledge of human nature, quick thinking and still quicker action, and work are the essentials to success in life underwriting according to Lawrence E. Simon of New York City, leading producer of the Massachusetts Mutual, in an address in Philadelphia Friday night. Mr. Simon spoke to "a capacity house" at the first of the series of "18 money-making sales talks" being conducted by Jack Berlet, general agent for Guardian Life in Philadelphia. General insurance brokers and independent life men were in attendance in addition to Mr. Berlet's own staff. J. Mitchell Thorsen will address the second talk of the series on "Selling Life Insurance Through Direct-by-Mail Advertising."

#### Must Plan Work

In the course of his remarks Mr. Simon pointed out that "the most important fundamentals underlying the selling of life insurance are thought, decision and action. I do not believe that any tailor ever existed who made a suit of clothes without a pattern. Nobody can build a house without having a plan prepared by an architect. In other words, you can't do anything really worth while in a haphazard manner, so, naturally, you cannot sell life insurance in a haphazard manner. There must be some sort of a plan. If you want to be successful, you have got to give a great deal of thought to your work, and for that reason you have got to prepare a plan for yourself and make up your mind just exactly how you want to work."

#### Avoid Argument

"There are one or two important things I want to stress about interviews," said the speaker. "One of them is, find the point of agreement. I never argue with a prospect. I hate arguments. You will never write a man for insurance by arguing with him or fighting with him. Let him think he is the big factor in so far as concerns his judgment. Let him think he is having his own way. Agree with him or else appear to agree with him. That is what I mean by trying to find a point of agreement. You know lots and lots of times I go into a man's office, sitting and talking with him, and I say to him, at the same time nodding my head, 'Don't you think it would be a very wise thing for you to have this educational fund for your boy, don't you?'—nod your head a little bit. I am going to tell you, if you ask him five or six things in that interview and say, 'Don't you think you should have \$250 a month disability if you are laid up?' and if you keep nodding your head that way, the first thing you know he is doing that, too. It is a simple little thing, just a little psychology, but a very big thing in your interview."

"Here is something else I do lots of times when a prospect thinks he has me licked and he says, 'Simon, I won't do anything until next February.' I say, 'All, right, next February—fif-

teenth, first'—I make some date and go out the door. And just about as I reach the door I say, 'Oh, there is one thing I forgot to tell you about, and that is that I didn't tell you so-and-so—this, that or some other thing, see. But when he says to you, 'I won't do anything until next February,' if you say, 'Very well, I will see you next February, good-bye,' shake hands and get out and you walk over towards the door, what happens? 'His guard is let down, and then you suddenly get an afterthought and you say, 'Oh, by the way, there is one little thing I want to tell you,' and when you come back you have a little better chance of selling that last thought than if you tried it when he was saying, 'No, no, no, next February.'

#### Uses Examination as Close

"I always try to close my cases by making an appointment for the examination," Mr. Simon went on to say. "I never carry an application blank. I don't say you shouldn't; but this is how I try to close a case. If I think the case is a doubtful one then I say, 'May I use your phone, please?' They never refuse the use of the telephone, and I do something like this—talking to a certain number: 'Hello, is the doctor there? Is this you, Dr. Warner? Doctor, could you be over here—just a second—then to the man, 'four o'clock this afternoon?' The man says, 'Wait a minute.' He begins to wake up to what you are trying to do—examination. I say, 'Hurry, I've got the doctor on the wire. What time? Four o'clock, tomorrow morning at 9 o'clock?' You will find a lot of them will stand for an examination when they won't stand for it otherwise. If it isn't one of those doubtful cases, I come out on two feet and say, 'Will you be here this afternoon at 4 o'clock if I have my doctor come around?' And almost invariably they say, 'Do I have to go through that whole examination?' I say, 'No, just a specimen and blood pressure test, heart test, a few things like that.' It is an examination, but it doesn't sound like it so much."

#### Warns of Price Competition

In conclusion Mr. Simon referred to competition as existing principally in the minds of agents. "I think you put it there yourself a great many times," he said. "One thing I never do in competition is flash a rate book. Don't forget, if you ever get in competition, you can't prove a single thing. You can convince a fellow you have the edge, but you can't prove anything about your company. Once I had a case of competition with the XYZ company. I was trying to sell a fellow a five or ten thousand dollar policy, and I was showing that fellow that, according to the figures, we had the XYZ beat a mile, and I said something like this: 'You get the XYZ man to meet these figures.' He said he would. I went back a few days later and he hadn't got the figures yet. I went the next time and I said, 'Well, what about it?' He said, 'Well, I'll tell you, young man, I've taken that policy from the XYZ company.' I said, 'Why, didn't you see that we have a much cheaper rate? They haven't a look-in with us.' He said, 'Well, I told that to the XYZ company man and he smiled and said, 'If what that young man is telling you is so, how is it we sell five times as much insurance during the year as they do?' That was all there was to it. I learned the biggest lesson of my life. That man, by saying that, convinced the prospect that what I was saying was a lot of hokum, when I was telling the truth. That is the highest type of salesmanship. So don't, don't build a lot of hurdles for yourself. If you have the right attitude you will win your case more frequently than by trying to prove something with figures."

Patks Pegram Duffey, agent at Richmond for the Connecticut General, and Miss Frances Rosebro, Richmond society girl, were married recently. Mr. Duffey is originally from Baltimore.



## Completing A Nation-wide Service of Protection

FOR many years the Employers Indemnity Corporation of Kansas City, Missouri, has served the people of the nation through careful administration of Health and Accident Insurance. Through its far reaching agent body it has established a high standard of protection in that field in every state in the Union.

The reputation for sound integrity, high purpose and unerring efficiency which has accrued from such service now becomes the basis for a new function of the organization. On the solid foundation of the old company is being erected a mighty superstructure—

## The Sentinel Life Insurance Company

THE directors of this new organization have been selected because of their outstanding successes in business and their ability to bring into the directing body a wide vision tempered by long executive experience and economic conservatism.

Officers of the corporation are all men whose records prove them to be aggressive, sincere, trustworthy and thoroughly well grounded in the principles and practices of faithful insurance administration. The executive personnel is composed of E. G. Trimble, Chairman of the Board of Directors; Chas. M. Howell, Chairman, Executive Committee; Arthur M. Hyde,

President, (ex-Governor of Missouri); F. L. Barnes, Vice-President; Stanley W. Izard, Secretary; E. E. Smith, Treasurer; and F. L. Hildebrand, Superintendent of Agencies and Assistant Secretary.

While the company begins business with agent representation virtually assured through the old organization, there are a number of excellent territories wherein general agencies are available. The combination of a modern, liberal and aggressive agency plan with several unusual features in the policies to be written, offers a desirable opportunity to capable Insurance men.

**SENTINEL LIFE INSURANCE COMPANY**

HOME OFFICE  
KANSAS CITY, MISSOURI

## GROWTH

*A matter of natural development.  
Our Growth has been persistent.  
Our root extends down--not out.*

We haven't spread much because we are rooted deep and lastingly in Illinois, Indiana, Kentucky, Missouri and Iowa.

Steady, persistent growth means permanent life.

Men who wish to make a connection or undertake to underwrite life insurance can make an unusually good connection with us now. Write for information and territory desired.

### CHICAGO NATIONAL LIFE INSURANCE CO.

202 South State Street

Chicago, Ill.

A. E. JOHNSON, AGENCY MANAGER

#### AGENTS

Direct leads—livest and most helpful general agency in Chicago—is how one of our agents has characterized us.

**Good Men are Always Wanted**

## You'll Like Our Service!

#### TWO SUPERVISORS

To Work With  
AGENTS AND  
BROKERS

*No Division of Commissions*

#### WILLIAM M. HOUZE

Room 1946-2948, The Straus Bldg.  
S. W. cor. Michigan Ave. and Jackson Blvd.  
Telephones Harrison 1434-0402

Chicago, Illinois  
General Agent of

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON MASSACHUSETTS

#### BROKERS

We offer you the fullest cooperation. We sincerely believe we can serve you to advantage.

## PUBLIC RELATIONS BIG TOPIC BEFORE "AD" MEN

Semi-Annual Meeting of Insurance  
Publicity Specialists Held  
in Detroit

### MEET NEXT IN HARTFORD

Annual Convention Will Be Held in  
Connecticut City in June With  
Dates Not Yet Fixed

By BYRON F. STEVENS

DETROIT, Oct. 20.—A real job has been put up to the Insurance Advertising Conference. At a special business meeting at the semi-annual convention in Detroit this week, the subject of "Public Relations," a matter of prime importance to the insurance business, was brought before it by the National Board of Fire Underwriters and the International Association of Casualty & Surety Underwriters.

Letters from W. E. Mallalieu, general manager of the National Board, and E. A. St. John, president of the International Association, were presented by W. W. Ellis, president of the conference. The letters voiced the interest of these two associations in any recommendations that the advertising conference might make toward the solution of the public relations problem.

#### Educate Those Within Business

The program, which after discussion in the conference and further work by conference committees, will be presented to the National Board and the International Association, will stress the urgent need of first thoroughly educating those within the business so that they can present the true worth of insurance as they come in contact with the insurance public. The program will be directed to home office officials, employees and local agents.

This special meeting devoted to public relations was the feature of the conference convention. The theme of the convention, "How Can We Help Our Agents Produce More Business?" was presented by C. F. Rickerd, Standard Accident, general chairman of the program committee.

#### Meet Next in Hartford

Hartford, Conn., will be the next meeting place of the conference. The exact dates of the convention, which will be some time in June, have not been decided as yet. The conference goes to Hartford on the invitation of the Hartford Advertising Clubs and through the efforts of J. W. Longnecker and Leon Soper. The fact that Hartford is the home of so many large insurance companies makes the selection an ideal one. The spacious halls and the facilities of the companies will be at the disposal of the conference.

#### Hartford Wins Trophy

The Hartford Fire, of which J. W. Longnecker is advertising manager, was awarded the Holcombe Trophy for meritorious advertising for the second consecutive year. Two years ago, the first year of this competition, the Metropolitan Life was the winner. Should the Hartford win it next year, it will become the permanent possession of that company under the terms of the competition.

The "Rough Notes-Insurance Salesman" Shield, one of which will be awarded each year to the member of the conference which has produced the best series of trade paper advertising during the period, was formally presented to the conference.

Another competition was announced.

The "Weekly Underwriter" offers to the company, a member of the conference, producing the best single piece of trade paper advertising during the year June 1, 1926-27, two round-trip tickets to Bermuda.

#### Reineke Welcomes Delegates

Nearly 100 delegates heard the much bandaged W. J. Reineke, president of the Michigan Association of Insurance Agents, welcome them to Detroit. Despite the fact that Mr. Reineke had been quite recently in a serious automobile accident, he injected some real "bones of contention" for the consideration of the conference by declaring that most of the direct mail stuff produced by the companies was junk, that the agent's name was not played up enough in advertising and that the proposed cooperative national advertising campaign had his hearty support.

Leo Thomas, the world's record holder for individual life insurance sales, was one of the headliners Monday morning. He made a plea for the standardization of name for certain types of life policies, pointing out the wide variety of names now in vogue for the same thing, such as whole life, ordinary endowment at 85, etc. Some one word could cover them all. More advertising should be devoted to telling what the policy does, he said. To advertise the name of a particular policy means nothing to the layman.

#### Salesmen Always Needed

"Salesmen will always be needed to sell insurance," George Cox, direct mail specialist of Cox & Downey, Detroit, said. "Advertising men for this reason will always have to play second fiddle. It is not a question of selling more policies, but where does the agent go today. The problem is to increase the individual's holdings, which to date the salesmen has done to some extent, but which advertising has not succeeded in doing at all."

Mr. Cox stressed the value of the life agent and trust company cooperating. He told of how such cooperation was being obtained in Detroit; the agent writing the insurance and the trust company administering the estate. Mr. Cox told of a cooperative campaign that is now being tried in Detroit in which in the mailing the prospect receives in one envelope both the trust and insurance company material. Each solicitor is given five names of prospects who have received this mailing each day.

#### Schofield Luncheon Speaker

E. J. Schofield, vice-president of the Standard Accident, was the speaker at the Monday luncheon, which was presided over by E. A. Collins, assistant secretary of the National Surety. "No branch of insurance," he said, "is so interesting as that of advertising or agency work. Eighty-five percent of knowledge is gathered through the eye. The basis of all confidence is knowledge. Therefore insurance companies should do what they have failed to do in the past—tell the public about their business."

"The advertising man's biggest job is not, however, the selling of a commodity to the public, but the selling of the advertising to the agent. Get the agent to use the advertising his company has prepared for him. The agent who doesn't cooperate with his company's advertising is not up to date."

#### General Sessions Continued

The general sessions were continued with the Tuesday luncheon, W. W. Ellis, president of the Conference, presiding. The group sessions, fire, casualty and life, were held Monday afternoon and Tuesday morning. A report on these sessions is to be found elsewhere in this issue.

At the Tuesday luncheon, Verne Tucker, art critic and idea man of the Appel-Tucker studios, presented J. W. Longnecker with the Holcombe Trophy and gave an outside's viewpoint of the future of insurance company advertising. He pointed out that necessity of saying less and cramming more meaning



## *What Makes a Company* **GOOD?**

**G**OOD from the standpoint of the agent—from the viewpoint of the assured?

Service, policies, low cost, agency contracts, commissions, all these enter in—BUT when all these have been considered there is yet something lacking.

What is that something?

Isn't it the kind of contact established? The personal relationship, friendly and cordial,

with men like yourself aiming at a common goal?

We think that the personal element is one of prime importance when considering affiliation with any sort of an organization. In Life Insurance, this is especially true.

The Peoples Life, Illinois, believes that it has developed the personal relationship idea to a high point. We invite your inquiry.

**The**  
**PEOPLES LIFE**  
**INSURANCE COMPANY**  
**ILLINOIS**

ADDRESS E. J. COTTER, SUPERINTENDENT OF AGENTS, TODAY

## ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

*Offers an unexcelled line of policy contracts.*

*Our juvenile policies, written on children as young as one day old, go in full benefit automatically at age 5 without re-examination.*

*Our special low rate policies to business and professional men are fast sellers.*

*We write women on equal basis with men.*

*Splendid agency openings are now available.*

*Write William Koch, Vice President and Field Manager.*

## ROYAL UNION LIFE INSURANCE COMPANY

Des Moines, Iowa

A. C. Tucker, President



C. E. Schaad

### Continuity of Purpose

When C. E. Schaad became general manager of Central Ohio for the Midland Mutual Life he determined to stick and win. And now after nearly twenty years of service to his thousands

of Midland policyholders he spends the cold months in California with his family. He has won financial independence and peace of mind coming from a satisfied clientele.

You can duplicate his record with

**The  
MIDLAND MUTUAL LIFE  
INSURANCE COMPANY**  
COLUMBUS, OHIO

*"Its Performances Exceed Its Promises"*

in the shorter copy. He said that more executives should write copy instead of relying upon the synthetic efforts of so-called advertising experts.

After presenting the Holcombe award to the Hartford, Mr. Tucker read the names of the companies receiving honorable mention. They are the London Life of Canada, Imperial Life of Canada and Equitable Life of Iowa.

George Carter, Detroit local agent, opened the last session with a talk on the advantage of company advertising, pointing out the necessity of keeping up the standard of insurance advertising.

Clifford DePuy, insurance publisher, gave an interesting resume of his questionnaire which was reported in the fire group sessions.

#### Results of Trade Paper Advertising

L. F. Tillinghast, Great American Indemnity, read a paper on "The Results of Trade Paper Advertising" for three years' advertising prepared by S. C. Doolittle, Fidelity & Deposit. One of the most important results of trade paper advertising is the familiarization of agents with the name of company. Direct results, such as the appointment of agents, helps in paying for this advertising, he said. Education is the theme used by the Fidelity & Deposit, because agents want to know more about insurance.

The closing minutes of this conference session were scrambled with a humorous by-play between two competing groups. One, led by John Hall Woods, chairman of the membership committee and composed of the members of that committee, faced the other, composed of E. L. Sullivan of the "Insurance Field," and G. A. Snider, "Underwriters' Review," on the platform of the convention. The Woods team and the Sullivan-Snider combination were in competition for new conference members—the losing team to buy the dinner and watch the winners eat. As a result of this contest and members secured through other channels, the conference now has a membership of 228. Snider and Sullivan got the dinner.

#### Life Group Session

In the life group session Monday, Seneca Gamble, Southern States Life, and Alvin T. Haley, Jefferson Standard, talking on the agents' attitude toward advertising said that the only thing the agent wanted was results now—not ten years from now. Leo Thomas of Detroit, the million dollar producer, followed with his ideas on advertising which stressed the inadaptability of company advertising to his business.

John Hall Woods, Great Northern Life, read a paper prepared by Lorry Jacobs, Southland Life, on the Southland's successful newspaper advertising campaign. He stressed with agents the fact that such newspaper publicity makes the user the best known man in his community.

#### Leon Soper Spoke

G. G. Terriberry, Life Insurance Sales Research Bureau, introduced Leon Soper, Phoenix Mutual, who stressed the necessity of conservation in advertising, pointing out the importance of knowing exactly what a certain type of folder costs to produce.

E. Chester Sparver, Connecticut Mutual, in the Tuesday morning session said that it was just as much the advertising man's duty to hold old agents and business as to create new.

J. H. Castle Graham, London Life of Canada, pointed out that advertising cannot succeed no matter how good it may be unless it can be sold to the field force.

Ray L. Hills, Great American Indemnity, talked on health and accident insurance.

#### Mrs. Simmons Is the Leader

Mrs. Molly B. Simmons of Oklahoma tops the list of leading Lincoln National Life saleswomen for the fifth time this year. Miss Hattie M. Martin of Minnesota is in second place and Mrs. W. A. Burrow of Texas is third.

## STRANGE DETAILS OF STOCK SALES ARE TOLD

History of North American National of Nebraska Is Brought Out

### CASE STILL BEING HEARD

Leininger Suit Brings to Light Unusual Increases in Valuation of Stock in Triple Sale

LINCOLN, NEB., Oct. 20.—The inner history of the North American National Life, from its inception as a mutual to its transformation into a stock company, its sale to the Uehling syndicate and its later purchase by the Caldwell interests of Tennessee was bared in a hearing that consumed a number of days before District Judge Shepherd.

The testimony was brought out in connection with the appeal of John Leininger, holder of a profit-sharing policy issued shortly after the company was organized as the Only Mutual, later changed to the German-American Mutual, from a refusal of the insurance bureau to reverse itself on the approval, made in 1922, when W. B. Young was commissioner, of the change to a stock company. Leininger is asking also that certain assets of the mutual company be restored to it so that it may complete its contracts, and that the return of the records from Tennessee be ordered. His main contention is that under the contract he now holds he is denied the returns promised when the original policy was issued, and that he will get much less than he has paid in, interest computed.

#### Tells of First Deal

The original articles of incorporation provided that the mutual might be changed to a stock company, and the original incorporators say that the law and the contract provisions were followed, due notice being given of the meeting at which the change was ordered and due opportunity given to policyholders to take stock. As they did not do so, G. L. E. Klingbeil, former president, testified that it was necessary for the directors to take up the stock. The capital was \$100,000 and surplus \$25,000. He took 40 percent of the total at a cost of \$50,000, the remainder being taken by the other directors, W. W. Young, D. D. Hall and George E. Haslam.

He said that the entire \$125,000 was borrowed from the Omaha National Bank, which held the stock as security, and was thereafter the depository for the company. He said that the directors held their stock under an arrangement by which any policyholder could buy what he wanted. None of them did so. Mr. Klingbeil is the father-in-law of Commissioner Young and W. W. Young is the latter's father. No objections being filed and the law being fully complied with, the transformation to a stock company was approved.

#### Second Deal Explained

Mr. Klingbeil said the name had been changed during the war to North American National Life, and that the approval was secured in 1922. He held his \$50,000 worth of stock until some time in 1923, after Commissioner Young had left office. F. J. Uehling was then figuring on buying an out-of-the-state company, and the former commissioner, who had entered the business as an actuary in Omaha, induced him to purchase a controlling interest in the North American.

Mr. Klingbeil said that he was paid \$180,000 for the stock he held, which cost him \$50,000, but in which he had



## CONTACT

The numerical growth of modern civilization, the interdependence of separated areas for mutual support, and the stern necessity for rapid transmission of ideas and knowledge, has resulted in a complex and highly scientific system of communication among individuals, states and nations.

Large organizations, active commercially in many remote localities, realize the vital necessity for complete and effective contact between the forces in the field and the heart of the institution itself. It is safe to assume that, in a very great measure, the success and happiness of the scattered members of the organization is directly in proportion to the efficacy of the lines of communication which extend from the base of operations to the front of activity.

Personal contact at frequent intervals is invaluable and must be preserved, regardless of the usefulness of such substitutes as telegrams, letters, bulletins and other artificial means of contact. An organization having for one of its cardinal principles a belief in direct connection with its representatives must, by sheer definition, maintain harmonious and efficient contacts throughout its entire personnel.

Understanding, loyalty, inspiration, goodwill—those are the by-products of agreeable and regular contact.

## AMERICAN CENTRAL LIFE

INSURANCE COMPANY  
INDIANAPOLIS

Old Line Legal Reserve  
Established 1859

HERBERT M. WOOLLEN, President

## Kansas Oklahoma Texas

The Springfield Life Insurance Company has recently opened Branch Offices in Kansas, Oklahoma and Texas. For the Live, Wide-Awake Producer there is an opportunity to get in on the GROUND FLOOR and secure a REAL GENERAL AGENCY contract in these states.

Already a portion of the desirable territory has been assigned. Other assignments are pending. Prompt action will secure a LIFE LONG CONTRACT with Liberal First Year Commissions and NON-FORFEITABLE RENEWALS.

Our PROSPECT BUREAU is placing in the hands of our Agents BONA-FIDE INTERESTED PROSPECTS. We are taking our FIELD MEN out of the class of "Sidewalk Merchants," "Peddlers," "Solicitors" and "Canvassers."

Our "PREFERRED ORDINARY LIFE" Policy meets all competition. The Net Cost is Exceedingly Low.

Our New "OPTIONAL LIFE INCOME AND ENDOWMENT" Policy has met with instant approval. The Large Annual Dividends paid by the Company makes the net cost on all plans competitive.

*If interested write either of the following  
or the Company:*

E. H. LAW  
State Manager for Kansas  
229 South Hydraulic St.  
WICHITA, KANSAS

FORD AND FORD  
State Managers for Texas  
3551 University Blvd.  
DALLAS, TEXAS

J. S. COE  
State Manager for Oklahoma  
(Temporary Address)  
1400 Topeka Blvd.  
TOPEKA, KANSAS

*Serve and Succeed With  
the Springfield*

## SPRINGFIELD LIFE INSURANCE COMPANY

A. L. HEREFORD, President

SPRINGFIELD, ILLINOIS

C. HUBERT ANDERSON  
Superintendent of Agencies

# BALTIMORE


ONE of the East's leading "old line," mutual life insurance companies needs a General Agent for Baltimore and surrounding territory, where they are not now represented.

HE should be able to produce a reasonable amount of personal business—his past record will prove that. He must be an organization man—be able to contract with new agents, work with and lead them. The man we want has a well-founded reputation for successful accomplishment in this direction.

THIS is a splendid General Agency opening for that man who would capitalize a thorough knowledge of life underwriting.

TELL us your whole story in your first letter. It will be kept strictly confidential. We will answer promptly and arrange an interview.

Address T-61, - care this paper



**A sales organization without co-operation is like a fiddle with one string—lots of noise, but not much music.**

MISS BUSINESS

better get a phonograph, boy!

A N agency connection with Mutual Trust is backed by a genuine plan of cooperation. In addition to a "tool kit" equipped with all that is good in life insurance, Mutual Trust agents have the advantage of a free Direct-by-Mail lead service.

Get all the facts and see for yourself.

## MUTUAL TRUST LIFE INSURANCE COMPANY

CARL C. PETERSON, Vice Pres.  
A. E. WILDER, Director of Agencies

The Chicago Temple, Chicago

invested no money and had given nothing except his note at the bank, when the capital stock was set up. He said that he paid W. B. Young \$15,000 as commission, as much, he said, because he was his son-in-law as that he made the sale. He said that this sale was never discussed while Young was commissioner, but that it was two months after the latter left the department that it was effected. He said that he had not wanted to sell, but two of his partners were ill, and he was worried and overworked. Answering questions he said he did not know what his stock was worth, and was not required to do so by the purchaser. He admitted most of the business on the books, even when the stock company was two years old, was what it secured when a mutual.

### Notable Increase in Value

F. J. Uehling of Omaha, president of the company, testified that he holds 26,500 shares, and that he holds a contract with the company that if he desires to sell at any time he is to get five times par or upward. He said, answering questions, that he did not know what base he had used to fix the value, but if the company was willing to make an agreement to pay him so much he was willing to accept and that was all there was to it as far as he cared. He said he paid \$60,000 for his stock, but denied implications in questions that he was to pay for it in four months' installments out of his \$16,000 a year salary.

Mr. Uehling testified to the making of a contract with a Mr. Cox of Chicago for the transfer of \$237,000 reserves when all policies were made non-participating. He said he could not tell what Mr. Cox's duties were, what kind of policies were transferred or what were given in exchange. He said he was in charge of new business and handling agents, and knew nothing about it. He said he signed the Cox contract, but does not know now what kind of a contract it was, although he had read it at the time.

Examiner Osborne of the department testified from the records that an amount of \$15,451 was changed in the reports so that in one case it was a surplus to go to the policyholders, but in the other was to go to the stockholders in the new company. It is now a contingent reserve fund to be paid out at the discretion of the directors. Mr. Klingbeil explained that this was set up as a fund that possibly might have to be paid to policyholders on the original contracts which gave them dividends of \$1 and \$2 a thousand for helping get business, but which was not allowed to be done after 1913.

### Examiner on Stand

Examiner Patton testified that he could find nothing in the records to show that the company had kept separate accounts, as required by law, as between participating and non-participating contracts. He had asked for such an order from Mrs. Fairchild, in charge for two years, and later from Commissioner Dumont, but none had been issued. Later the attorney general ruled that no division should be made on business prior to 1915, because the law requiring separation did not become effective until then.

Mr. Patton testified that after the new men took hold in 1923 salaries were boosted from \$30,000 to \$70,000 a year. He said the officers said they had to have their salaries in order to pay off indebtedness and if the company was given a chance to pull out it would pay the old policyholders all that was due them. Mr. Dumont told the officers the salaries must be scaled to an average he presented of what other like companies were paying. Examiner Osborne said a dividend of \$4,999.85 was declared on the stock a few months after the transformation.

### Many Details Disclosed

W. B. Young testified that the law of 1913 made the payment of the \$1 and \$2 dividends illegal, and it was stopped after the company began to write non-par policies because it might be held

these, too, would be entitled to the extra dividend. The \$15,451 fund was created to take care of such contingencies. This stood as such until after he became a director when it was passed to surplus. The plaintiff contends that this amounted to taking it from the mutual policyholders and giving it to the stockholders. Mr. Young said he got \$19,000 for making the sale after he retired as commissioner, and Mr. Uehling got the same amount. He put it into stock, paying \$1 and \$5 for shares of a par of \$1. He said it was not a commission, because they were buying the stock and they simply got the stock that much cheaper. He bought 25,000 shares, getting part of the money on a \$60,000 bank loan with the stock as security. He said he had made no arrangement to pay for the stock out of the \$15,000 salary he received. He sold for \$5.50 a share.

Mr. Young said that the policy Leininger now has is as good as the one held under the mutual and for which the latter was exchanged. F. M. Snearman, consulting actuary from Philadelphia, appeared as an expert witness for the North American. He said it would have been bad for the company to compel it to pay out or set aside a large surplus at the time of the transformation and would have impaired its condition. He said that the records show Leininger had paid in premiums \$4,852, and dividends and profit sharing of \$1,097.84. This left a net payment of \$3,754, and at the end of 20 years it has a cash value of \$2,982. This left an actual premium payment of \$862.16, or \$8.62 a year on a \$5,000 liability, which was about a third of what a straight life would have cost him. It is a graduated policy, having a value up to \$6,000, but dropped back to \$4,000 when fully paid up.

## TAX LIFE COMPANIES ON ACCIDENT CLAUSE

(CONTINUED FROM PAGE 1)

ably onerous if the elements of each insurance policy and not the policy as a whole are to be taxed, and the same policy taxed in different classes that the court should if possible avoid such a construction of it even if there were reasonable grounds for the construction, which there are not. There are no means of ascertaining the fractional part of a dollar received for each sum charged under each policy of insurance for double indemnity or disability benefits, except by the company going through its records and thereby ascertaining the total premiums charged on each policy and calculating for that policy the sum charged and the total premium for the double indemnity and disability benefit—a laborious, tedious and troublesome process, the cost of which would be equal to one-half the government claims as taxes."

### Slattery With Guardian Life

John C. Slattery has been appointed manager of the publicity department of the Guardian Life of New York. Mr. Slattery will take over all of the publicity work of the company, editing "Service," the company's house organ, running the prospect bureau, preparing sales promotion material and all of the other many activities connected with this work. He succeeds Christopher Brooks, who has resigned to become sales promotion manager for "Good Housekeeping" magazine. Mr. Slattery is a newspaper man of several years experience, having been on the staff of the New York "Evening Journal" until recently, engaged in sales promotion and marketing work.

### Cherry With Great Western

J. C. Cherry has assumed his duties as general agent of the Great Western of Des Moines in Chicago with offices in the First National Bank building. He succeeds J. E. Young, who has gone with the House general agency of the John Hancock in Chicago. Mr. Cherry formerly represented the National Life of Des Moines in Chicago.



**HOLD INSURANCE DAY****WISCONSIN HAS BIG EVENT**

**Attendance at First State Wide Celebration Far Exceeds the Expectations of the Committee**

MILWAUKEE, Oct. 20.—An attendance of more than 400 at the opening session made Wisconsin's first Insurance Day one of the greatest of insurance gatherings ever assembled in the middle west. It is estimated that the final count of the number attending will be between 450 and 500, which is a much larger attendance than any of the committeemen or organizations sponsoring the event anticipated. Every part of Wisconsin is represented at Insurance Day by local agents, field men, and general agents of all branches of insurance. One of the most encouraging factors about the attendance is the number of agents from outside of Milwaukee who are here.

The program for the Insurance Day activities started Tuesday night with the big get-together dancing party, and the

program started with an address interesting to the fire insurance representatives. It was "Fire Insurance; Its Services and Pledges," written by George G. Bulkley, president of the Springfield Fire & Marine, and read in his absence by John C. Harding, western manager of the company. Mr. Bulkley is confined to his home with laryngitis and was unable to come to Milwaukee. Joseph R. Wilson, manager of the development department of the Maryland Casualty, addressed the gathering on "Insurance Counsellors." The fraternalists were represented on the program by Ben Poss of Milwaukee, general counsel for the Equitable Fraternal Union who spoke on "Fraternal-Benefit Societies."

A number of the companies and general agencies took the opportunity of holding conferences Tuesday and their agents attended Insurance Day on Wednesday. Among these were the Time, the Albert E. Mielenz general agency for Aetna Life in Wisconsin and upper Michigan, and the local agency of Gottschalk & Hargarten. Milwaukee's two leading evening newspapers are issuing special editions for Insurance Day.

### **DANGERS IN MAD RACE FOR SIZE ARE SHOWN**

(CONTINUED FROM PAGE 1)

protecting legislation, the breaking down of prejudice, and the building of goodwill, came a period of great prosperity. Perhaps it requires stronger character to face success than adversity. At any rate, a few of the bigger companies developed an inordinate ambition for size, for prestige, for power. In the race, the policyholders' interests were forgotten.

#### **Lesson From Investigation**

The Armstrong investigation shook the very foundations of life insurance. It is history to you younger men. Some who have gone through it have evidently forgotten its lessons. Many of us remember it with a shudder. It looked as though our cherished institution had fallen from its high estate, and there was none so poor to do it reverence. Every little paragraph, every little preacher, every little vaudevillian had his attack or his jest. The daily press had its headlines, and the magazines their leading articles on the delinquencies of life insurance management.

#### **Hit the Field Men**

The blow struck particularly hard on the field men. I know. I was there and in it. It drove a multitude of strong men from the ranks, and crippled many, many more, through loss of public confidence and resulting loss of renewals. The lapse rate was tremendous, and especially from the smaller policyholder who could ill afford the loss of his savings in insurance, and whose faith was more easily disturbed. No banking institution in the world could have withstood the shock of the attacks made upon life insurance during those trying times. Yet the institution came through the crucible purged and purified, and be it said to its everlasting credit, not a company crumbled under the attacks, not a policyholder lost a dollar, not a claim was questioned or delayed.

#### **Danger in Present Era**

Another generation has come on. We are in another era of prosperity, unprecedented perhaps in the history of business, un-dreamed of by life insurance men. And with the new era come laudable, new desires for larger service, new personal and company ambitions, new dreams of power, new struggles for leadership, natural and healthy perhaps, and maybe unnecessary, unseemly and unwise.

#### **Depart From Old Standards**

Notwithstanding its fundamental character, life insurance practices are undergoing marked changes, some rather revolutionary. It does not require an old timer to remember when risks were taken only after a long and rigid medical

## **Connecticut General News Hartford, Conn.**

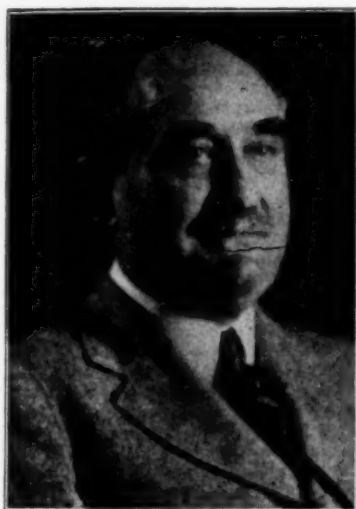
### **For Present Day Hazards**

Fifteen years ago the automobile was a negligible hazard.

Today it has to its discredit more accidents and more expensive accidents than any other single cause.

In our new full coverage Accident policy we have therefore broadened the double indemnity clause to include automobile accidents too, as well as other travel accidents.

The new contract meets a felt need. It will sell. Circular giving description in full mailed on request. Connecticut General Life Insurance Company.



**HENRY F. TYRRELL**  
Chairman, Wisconsin Insurance Day

spirit of good-fellowship which was prevalent there is being carried throughout the entire day. Insurance Day closes with a banquet this evening at which J. A. O. Preus, former governor of Minnesota and a former insurance commissioner of that state who is now engaged in insurance in Chicago, will be the principal speaker. Claris Adams of Indianapolis, secretary of the American Life Convention will be toastmaster for the occasion, and as an added attraction, the committee has secured Charles Milton Newcomb, nationally known humorist and after-dinner speaker.

Henry F. Tyrrell, legislative counsel for the Northwestern Mutual Life of Milwaukee, and chairman of the speakers' committee for Insurance Day, is chairman of the day. The morning session opened at 9:30 with an address of welcome to the insurance men by Olaf H. Johnson, commissioner of Wisconsin.

#### **E. C. Stone's Address**

"Compulsory Automobile Liability Insurance" was the subject under discussion by Edward C. Stone, United States manager of the Employers' Liability. Mr. Stone followed Commissioner Johnson. Frank P. Manly, president of the Indianapolis Life, was the next speaker on the program and his subject was "Life Insurance; Its Functions and Service." O. M. Thurber, secretary of the Northwestern Association of Mutual Insurance Companies, Owatonna, Minn., rounded out the program for the morning with an address entitled "The Crucible of Carelessness." The afternoon

*The DOORWAY  
to OPPORTUNITY*

**NORTHWESTERN NATIONAL  
LIFE INSURANCE COMPANY**  
O. J. ARNOLD, PRESIDENT  
MINNEAPOLIS, MINN.  
*"In the Land of Ten Thousand Lakes"*

# UNIVERSAL LIFE INSURANCE CO. OF MISSOURI

ST. LOUIS, MISSOURI

## ANNOUNCES

### New Annual Excess Interest Dividend Policy Issued on Ordinary Life and Twenty Payment Life Plans

THE new policy provides that "The Company shall annually declare the rate of interest earned on its mean ledger assets. To ascertain the excess interest dividend under this policy, the rate of interest earned, less four per cent (being three and one-half per cent used to maintain the policy reserve and one-half of one per cent for investment expense) shall be applied to the

mean reserve to ascertain the dividend hereunder."

**D**IVIDENDS so ascertained may be applied to reduce the premium payment or may be left to accumulate at the declared rate of interest, which is guaranteed to be not less than three and one-half per cent per annum. The accumulations may be applied to decrease the number of premium payments.

*Attractive Territory in Missouri and Illinois Available and  
Additional Territory Will Be Available in the Near Future*

UNIVERSAL LIFE INSURANCE CO. OF MISSOURI  
700 Times Building St. Louis, Missouri

EDWARD G. ROLWING  
President

W. D. LUMPP  
Director of Agents

H. W. SHAFER  
Secretary

### KILLED IN GARAGE BY CARBON MONOXIDE

(Special Dispatch to The Herald)

PITTSFIELD, Sept. 26.—Adolphus Yon, 51, a foreman at the General Electric Company plant, was found dead in his garage at 65 Wilson Street, tonight. An automobile, with the engine running, was in the garage, and Yon was the victim of carbon monoxide generated by the motor, according to Medical Examiner Joseph Howe, who viewed the body. He was born in North Adams and lived here for 25 years. He is survived by his widow and seven children.

You will see items like the above in the newspapers right along from now on.

Brokers and Agents who wish to supply their clients with individual WARNING CARDS or large WARNING PLACARDS for stores and factories, can obtain them from the John Hancock Mutual Life Insurance Company, 197 Clarendon St., Boston, Mass., which is interested in Life Conservation, especially in informing the public of the insidious dangers of Carbon Monoxide Gas.

Ask for our booklet "Carbon Monoxide Gas" containing complete information. Address Inquiry Bureau.

Over Sixty Years in  
Business.  
\$2,400,000,000 Insurance  
in Force.  
Safe and Secure in  
Every Way.

*John Hancock*  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS

examination of each applicant, by a regular physician, at least a multitude of questions of more or less importance, and this supplemented by a report from the soliciting agent and manager on each individual case, and that bolstered by an independent inspection from a bureau. Now, groups, big and little, under one roof, or scattered across the continent are accepted en masse with neither medical or inspection and at a lower premium than the individually selected risks. I suppose this practice is all right, but I am too old or too dull to distinguish between a bad risk in a crowd and a low premium, and one standing alone at a higher premium. And now, we are taking individuals without medical examination and loudly advertising the fact to the world. This, too, may be safe underwriting. For various reasons, I am inclined to favor it under intelligent, if not severe, scrutiny; but surely, caution is in order.

#### Peril in Accident and Health

Another innovation, an experiment, and to my mind a dangerous one for life companies (excepting the multiple line companies) is the entry to the health and accident field. It has been a popular move with the public and with many agents, and it may be conceded that accident features have come to stay. The companies adding health and accident to their service may be given credit for a sincere desire and purpose to further popularize and extend the benefits and blessings of life insurance. The accident features have been a popular factor in increasing sales. The buyer likes to feel that he is getting a lot for his money. The salesman likes to gratify, and amplify. He is apt to make the tail look bigger than the dog. The insured gets an exaggerated conception of the relative values of the accident and health features, and the main purpose of the policy, life insurance. Misunderstandings and litigation naturally follow with resulting loss of confidence and good-will, a fact of vastly greater importance than the loss of money through inadequate rates.

#### Underwriting Is Different

Trained life insurance men should observe that there is a different type of business discrimination and exacting judgment employed in the writing and adjustment of accident and health business. In the settlement of life claims there is little or no occasion for fine distinctions or rigid conclusions and comparatively little for deception or fraud. If he is dead, he is dead, and that is the end of it. Forward looking life insurance men fear reactions that will defeat the purpose of these features, popularizing life insurance. In fact, the reaction has already set in, dissatisfaction and litigation, damaging to the business of life insurance. Every well informed life man is familiar with cases and their increasing numbers and variety. The verdicts of juries and decisions of courts are usually against the companies. A double loss is sustained, loss of money paid in claims not contemplated by the contract, and loss of prestige and good will.

#### Hinders Life Insurance Agent

Excessive claims and the loss of good will is not all the story. Many successful field managers and agents with vision express a disappointing experience in selling disability contracts in connection with life insurance, because differences of opinion and controversies are inherent in the health and accident business and besides they inject something special into the work of life agents, which throws them off the main proposition, life insurance, which is peculiarly free from controversy. No strong life agent was ever developed by special features or special contracts of any kind. Many companies admit that these new features were added to life policies to meet competition. Fear of competition weakens and oftentimes ruins many another valuable agent. As a matter of fact, in the ordinary application of the term, there is no competition

in the selling of life insurance. Life insurance is not bought; it is sold.

#### Costs May Be Affected

Life insurance is one of the very few commodities, or services, if you prefer, that has decreased in cost since the war. The very low mortality experience resulting from the large volume of new business, and the high interest earnings, coupled with prudent management, are responsible for the continued low cost. But we now seem to be entering a period of higher mortality and of lower interest, which naturally will affect costs in the future.

#### May Go Too Far

Many able and conservative men in the business believe that the life insurance companies are going too far in the lines of liberalization, and the suspicion is expressed that it is not based wholly on the desire to serve the policyholders; that it is in the race for size. As one high official expressed it: "I am afraid we shall have to learn anew the lessons taught us 20 years ago. Any expedient which gives promise of adding to the volume of new business will be tried without much regard to quality. It seems that a day of reckoning must come." No one cares to live through another Armstrong investigation, notwithstanding the good that came from it.

#### Mantz With Lincoln National

Paul N. Mantz has been appointed assistant secretary of the Lincoln National Life in charge of the policyholders' service department at the head office. He was educated at Oklahoma University and Drake University, where he studied law. At the close of the war he became assistant secretary of the Western Life of Des Moines and in 1902 was made secretary and actuary of the Des Moines Life & Annuity, remaining there until 1925. He became general agent of the Pacific Mutual Life following his connection with the Des Moines Life.

#### Prudential's 51st Anniversary

A reception and luncheon commemorating the 51st anniversary of the Prudential held at the home office last week, was attended by 300 leaders of the church, political and business life of that state. The guests were received by Edward D. Duffield, president of the Prudential, and his associate executives. It is the intention of President Duffield to make these informal gatherings a yearly fixture.

Among the prominent guests were President Chellis A. Austen of the Seaboard National Bank, New York City; Colonel Austen Colgate; President James O. Betelle of the local Chamber of Commerce; President John R. Hardin and Vice-President Samuel W. Baldwin of the Mutual Benefit; Louis H. Cooke, general counsel for the New York Life; Henry G. Duffield, treasurer of Princeton University; Secretary of State Joseph B. Fitzpatrick; Deputy Commissioner C. A. Gough of the state department of banking and insurance; Ernest J. Heppenheimer, president of the Colonial Life; Frederick Hoadley, secretary of the American of Newark; President Edward Schoen of the Guaranty Trust; Vice-President Edward E. Rhodes of the Mutual Benefit; Justice Samuel Kalish, and President Charles L. Farrell of the National Newark & Essex Banking Company.

#### Much Business From Old Policyholders

Reaching the highest percentage attained since March, business of the Equitable of Iowa from old policyholders totaled \$2,364,740 or 37.09 percent of the total paid-for production in September. The total business from old policyholders to date for the year is \$20,014,089 or 32.73 percent of the total paid-for production.

Grand Rapids led in production of business from old policyholders last month and W. B. Pace of the Louisville agency was the leading personal producer in this class.



**ANNOUNCE PROMOTIONS****THREE NEW VICE-PRESIDENTS**

**Reliance Life of Pittsburgh Establishes Several Additional Official Positions at Home Office**

Announcement has been made by the Reliance Life of Pittsburgh of the establishment of three additional vice-presidencies involving the promotion of E. G. McCormack, previously the general manager of the company; C. M. Eakins, M. D., formerly medical director, and L. P. Gregory, advanced from assistant secretary in charge of the company's accident and health department. James H. Layton, previously auditor of agency accounts, has been advanced to a newly created assistant secretaryship of the company and William F. Aull was likewise named an assistant treasurer.

**Began as Druggist**

For 13 years Edward C. McCormack has been general manager of the Reliance Life. He began his business career as a druggist in Bowling Green, Ky. Entering insurance underwriting with an eastern company in its local office, he was successively appointed instructor of agents and agency director of that company at Evansville, Ind. In 1908 came his appointment as supervisor of the Reliance Life in its Kentucky and southern Indiana departments with headquarters in Louisville. Directly thereafter his rise to the position of assistant general manager at the home office followed. Later, he was appointed superintendent of agencies with headquarters at St. Louis in charge of field organization in the middle west territory and in 1913 his appointment as general manager was effective.

Dr. Eakins, upon graduating from Harvard and the College of Physicians, Columbia University, began his medical career in the United States navy and subsequently served in India as assistant medical director of a New York insurance company. He started with the Reliance Life in 1909.

L. P. Gregory was started at Kansas City, Mo., with the United States Casualty of New York, where he investigated personal injury claims covered by policies of liability insurance. In 1902 he was called to the home office of that company and after three months of investigating liability claims in New York City, was made underwriter in its accident and health department. In 1904 he was made assistant manager of this department which was followed by his promotion to adjuster of accident and health claims in 1906. In 1911 he came to the Reliance Life as superintendent of its disability department. In 1924 he was made assistant secretary of the company.

**Started as Clerk**

James H. Layton began his business career with the United Engineering Company in Pittsburgh. One year later he came to the Reliance Life, serving in a clerical capacity. He was later made traveling auditor and then cashier. In 1914, upon the creation of the department of agency accounts, Mr. Layton was given charge. Since then his functions have been devoted almost entirely to sales stimulation.

William F. Aull entered the service of the Reliance Life in its renewal receipts department and in 1910 was made assistant in the company's treasury department.

**Central States Sets Record**

The Central States Life of St. Louis set a new company record with a production of \$2,250,000 in September and it is anticipated that the company will be close to the \$100,000,000 mark in paid-for business on its books at the close of 1926. Five of the company's general agencies have already surpassed their quotas for this year while many others are close to going over the top.

**APPREHEND SWINDLER****COOKE NOW IN THE TOILS**

**Impersonated Various Individuals and Got Bogus Checks Cashed at Many Insurance Offices**

BOSTON, Oct. 20.—Charles W. Cooke, formerly an employe of the "Insurance Field" and wanted in Louisville, Chicago, New York and other places for passing bad checks, has been taken into custody by the Boston police after victimizing Boston insurance officials and others. He is at the Charles street jail in default of \$1,300 bail and will appear in court this week. The police state the man served a term in the Frankfort, Ky., penitentiary and that his picture is in the rogue's gallery. New York police claim he is wanted in that city and there is a charge against him in Cincinnati for theft of an automobile from the Western & Southern Life by which he was employed. He has victimized many insurance officials by impersonating insurance commissioners and claiming he was connected with certain insurance papers.

Cooke was arrested through the work of Harry Phipps, special investigator of the John Hancock Mutual after it became known that President W. L. Crocker had been fleeced out of \$100 through worthless checks. The second complaint comes from the Liberty Mutual of Boston where a similar check was cashed. Cooke represented himself as being connected with the Kentucky insurance department.

**MAKE CAREFUL EXAMINATION**

**Application of Universal Life For Admission to Michigan Reveals Suspension of Chicago Mutual**

LANSING, MICH., Oct. 20.—Application of the Universal Life of St. Louis for a Michigan license brought out the fact that the Michigan department some two months ago suspended the Chicago Mutual Life, an assessment company, which has a number of policyholders in this state. The Universal Life, it developed, is the reinsurer of the Chicago Mutual, and seeks admission in order to take over the Michigan business.

Commissioner Hands announced that the Chicago company was suspended because it failed to live up to its contracts in the matter of granting loans to policyholders. When the Michigan department protested this action, officers of the company wrote that it was contemplating changing to a legal reserve company and that loans could not be granted in compliance with the policy contracts for a short time. A suspension order was then issued.

**Agricultural Celebrates Anniversary**

The Agricultural Life celebrated its 10th anniversary with a banquet at which there were a number of prominent Michigan life insurance men as guests and speakers. Willard E. King, secretary of the Agricultural Life, was the toastmaster. M. E. O'Brien, president of the Detroit Life; Leonhard T. Hands, Michigan insurance commissioner, Congressman Roy O. Woodruff and James E. Davidson were the principal speakers.

**Organizing New Companies**

W. J. Otjen, of Enid, Okla., is organizing a life company on the stipulated premium plan to be known as the Southwestern National Life. It is also stated that Mr. Otjen expects to organize a fire company called the Southwestern National Fire. Mr. Otjen is a hail general agent. He is a state senator, and recently ran in the primary election for the Republican ticket.

**There's a Place for You—**

out in California where you can write insurance for a Home Company among a progressive people under delightful weather conditions every day in the year.

If you are a clean, competent salesman of life insurance, bearing proper credentials, and desire to locate in Sunny California to produce business under an attractive agency contract, write now to M. F. Branch, Manager of Agencies.

**CALIFORNIA STATE LIFE**

*J. Roy Kruse, President*

**SACRAMENTO****The first Law of Success Is to Recognize Opportunity and Grasp it**

*For a period of over twenty years we have made a sound and consistent growth. Now comes the time for a broader expansion program.*

*We are taking an individual interest in our present field men. We expect to add some REAL MEN to our organization. We think more of a MAN than we do of volume.*

*With our individual interest, VOLUME, INCOME and FUTURE are assured.*

*After we talk with you in confidence and find you to be one of the MAN TYPE, from then on we share the larger part of the responsibility.*

**THIS MAY BE YOUR OPPORTUNITY  
WRITE IN CONFIDENCE**

*We operate in Iowa, Minnesota, South Dakota and Nebraska*

*The Old Line*

**CEDAR RAPIDS LIFE  
INSURANCE COMPANY**  
CEDAR RAPIDS, IOWA

## Lutheran Brotherhood

*Fraternal*

*Legal Reserve*

*Standard Policies*

*Attractive Agency Contracts*

## Lutheran Brotherhood

1254 McKnight Bldg.  
Minneapolis, Minn.

## Seventy-Five Years Ago

the Massachusetts Mutual Life Insurance Company was organized by a group of men with unusual foresight. They conceived an organization that would create a personality of strength and friendliness, and conduct its affairs so as to win and hold the confidence of policyholders.

During all these years this institution has faithfully maintained the spirit of service inaugurated at its birth. Today it ranks with the best companies in the country and is known throughout the land as The Company of Satisfied Policyholders.

JOSEPH C. BEHAN,  
*Superintendent of Agencies*

## MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

of SPRINGFIELD, MASSACHUSETTS  
INCORPORATED IN 1851

### PROTECTION DEMANDED

#### WIDEN FOOD AND DRUG LAWS

American Public Health Association  
Advocates Greater Attention to  
Health of General Public

BUFFALO, Oct. 20.—At the conclusion of the convention of the American Public Health Association here last week, after three days of intensive business sessions, it seemed certain that the demand for greater public protection by a broadening of the pure food and drug acts would shortly develop in all parts of the country as a result of this year's meeting. In many instances the 1,800 public health officers, industrial hygienists, vital statisticians, directors of nursing schools and centers, educators, food and drug experts, engineers, physicians and nurses participating in the discussions suggested a program of public education to prevent disease from any of the causes outlined, but in others more drastic action was urged.

#### Must Share in Responsibility

"The responsibility for the present and future physical welfare of our race must be fully shared by all those who by professional calling and scientific knowledge are alone capable of assuming it," Dr. Matthias Nicoll, Jr., New York state commissioner of health, said. "I have tried faithfully to determine the cause or causes why the general practitioner has seemed to show indifference or hesitancy to take an active part in health campaigns, and utilize, as a matter of routine, established preventive procedures. Many reasons have been given, but the commonest, and I fear, the most difficult to overcome, is the hesitancy and delicacy on the part of our best practitioners to take any action among their patients which would seem to leave them open to the charge of commercialism by seeking to increase their practice."

#### Keep in Touch With Patients

"There is further a question of so-called medical ethics which apparently deters many physicians from sending for their patients, notwithstanding the fact that they should be seen and advised as to the conditions which require medical attention. This attitude of mind is not to be sneered at nor lightly cast aside, but I admit that it must be abandoned from sheer necessity if the medical profession is to do its full share in the work of preventive medicine and I firmly believe that the general practitioner is not doing his full duty to his clients if he does not keep constantly in touch with their physical condition, or with the development of protection against infection."

#### Must Regulate Cosmetics

Cheap cosmetics, face powders, hair dyes, lotions, creams, freckle removers and the like, often poison or cause the death of the users, according to Dr. S. Dana Hubbard, chairman of a committee on patent medicine supervision, bureau of food and drugs, New York. He urged the enactment of suitable national, state or municipal statutes to protect the public in the purchase of cosmetics, to compel the manufacturers of powders, lotions and such to indicate on the outside of packages the constituents of the packages and compounds to make it impossible to sell poisons dangerous to the skin and, through absorption, the vital internal organs. He named in detail the dangerous drugs, lead, arsenic, mercury, wood alcohol and coal tar dyes, which have been permitted to enter into the composition of many preparations and which menace the health of such users. For the suppression of this the speaker advised public regulation by statute similar to the Harrison law or the making of cosmetics subject to the pure food and drug act.

### TELL PEOPLE OF WORK

#### PUBLICITY COMMITTEE NAMED

President H. M. Woollen of the American Life Convention Announces  
Plans for the New Work

President Herbert M. Woollen of the American Life Convention has inaugurated a new plan by appointing a publicity committee with the idea in mind of getting more publicity, not only for the American Life Convention and its companies but for life insurance itself. Claris Adams, secretary and general manager of the American Life Convention, is chairman of the committee. The other members are Clarence Axman, "Eastern Underwriter"; C. M. Cartwright, THE NATIONAL UNDERWRITER; Charles Dobbs, "Insurance Field," and Lorry Jacobs, advertising manager of the Southland Life. President Woollen felt that it would be desirable to have one member of the committee at the seat of the meeting place of next year's convention, which will be Dallas, Tex.

#### Seek Campaign Slogan

Plans for an active educational campaign during January to emphasize life insurance as a basic factor in thrift were discussed at the first meeting of the joint commission representing the National Association of Life Underwriters and the National Thrift Committee held last week. The commission is seeking a suitable slogan for the campaign. The first one presented is "Life Insurance Money Is Saved Not Spent," suggested by Edward A. Woods of Pittsburgh, a member of the commission. The committee will welcome additional suggested slogans emphasizing the importance of life insurance as related to thrift.

#### Returns From Florida Inspection

O. B. Jackman, assistant director of agencies of the Bankers Life of Iowa, has returned from an inspection tour of the storm-swept area of Florida. Mr. Jackman learned authoritatively that between 15,000 and 18,000 persons are still homeless as a result of the disaster.

The Bankers Life will hold the meeting of its Gold Medal Club and school of instruction in Miami Beach, Fla., in January, 1927. Reports indicate that Miami Beach will be completely restored from the recent disaster by that time.

#### Honoring All Managers

The Peoria Life is celebrating October as managers' month, each manager being honored by his own agents with a special production. The company is again making gains over last year's business, every month this year having shown an increase over the same months of 1925. In September the company not only passed last year's September total, but considerably exceeded its campaign quota for the month and established a new record for September business. The paid for business last month was \$4,543,176. In the first nine months of the year the Peoria Life has paid for its entire year's quota, so that the production of the remainder of the year will be net gain over the 1925 record.

#### Koch Made Assistant

Arthur A. Koch has been appointed assistant superintendent of agents of the Detroit Life. Mr. Koch has been with the Detroit Life for a number of years and has made a record both in personal production and in agency management work. The first year he was with the company his total production entitled him to membership in the Quarter Million Club and he has maintained that production consistently.

The Henry A. Thomas general agency of the Franklin Life at Detroit has moved into new offices in the new Book Tower.



## SHOWS OPPORTUNITY OF LIFE INSURANCE AGENT

Edward M. McMahon Cites New  
Attitude Toward the  
Institution

### IS TREMENDOUS FACTOR

Economic Importance of the Business  
of Protecting Life Values Becomes  
Greater Each Year

The fall educational course of the John C. McNamara Organization, managers in New York City for the Guardian Life, was opened by Edward M. McMahon, New York City general agent of the National Life of Vermont. To a capacity audience of Guardian Life agents and many other prominent local insurance men, John C. McNamara introduced Mr. McMahon, who in the past 12 months has written over \$3,000,000 in spite of the fact that he devotes only a small part of his time to personal solicitation.

#### Shows Scope of Business

"Life insurance is one of America's greatest activities," Mr. McMahon said, comparing it to all other lines of business in respect to size, strength, opportunity for service and personal rewards. "In 1925 American life insurance companies had a combined total income of more than \$3,200,000,000. The total life insurance in force in the United States at the close of 1925 was about \$74,000,000,000. Today the assets of the companies are greater by at least \$1,000,000,000 than the total deposits of all the savings banks in the country. The number of policies in force exceeds 96,000,000, a larger figure than the combined number of individual or corporate bank depositors, real estate owners, bond owners, stockholders in building and loan associations, and those owning interests in some business or other. Hence, life insurance is America's most popular method of practicing thrift. The total amount of life insurance in force has increased since 1880 from \$1,600,000,000 to over \$74,000,000,000.

#### Great Factor in Business

"Do you all appreciate that in reality American policyholders own about one-fourth of the railroad bonds in the country; that they own \$1,400,000,000 in government, state and municipal bonds; and finally that these vast investments furnish a large part of the working capital of the essential industries that are the backbone of our national wealth and integrity? When this magnitude is appreciated and the fact remembered that there have been practically no failures among life companies organized on the mutual plan and maintaining legal reserves, when it is remembered that the greater part of this growth has taken place in the last 10 years, a larger amount of life insurance, \$16,000,000,000, being written last year than was in force in 1900, we get some appreciation of the need we are supplying and of the confidence the American public has in the greatest house of protection."

#### Regarded as Silent Capital

This growth Mr. McMahon attributed to the fact that life insurance is no longer looked upon as a lottery, nor merely as relief and protection. It is now regarded as silent capital. It enables every individual to extend the earning power of the days of his productive strength to cover days of illness or misfortune or days when death has removed him prematurely from his family and associates. It is a chain binding

together the different generations of the family so that the young and the dependents are never left without food, a roof, education and opportunity. The modern conception of life insurance is based on the idea that every life has an economic activity value that can be measured in terms of money.

#### Need Imagination and Knowledge

As Mr. McMahon clearly pointed out, this modern idea that an income-maker's ability to work is his wealth has greatly multiplied life insurance opportunities. It has raised men's estimates of themselves. They now talk of "getting an insurance estate," "perpetuating their salaries," "funding their future savings" or "enhancing their credit." Business men today gladly receive a man who knows how to discover life insurance needs and makes an appeal to ambition, intelligence, imagination, family and social responsibilities. From this Mr. McMahon argued that modern life agents need imagination rather than will power, knowledge rather than arguments. They must not only know life insurance in its general aspects but in its application to the requirements of each individual case. To do this the modern life agent must have a professional attitude, for life insurance demands individual fitness, special education and training and devotion to certain ideals and principles.

#### Reward Is Large

Showing that life insurance selling is among the most desirable and satisfying businesses from every point of view, Mr. McMahon declared that incomes of \$25,000 are by no means uncommon. According to the income tax returns of 1921, nine life insurance agents had incomes over \$100,000 a year and seven had more than \$150,000. Comparing the returns from the life insurance business with those gained in other lines of work, he quoted from official reports to show that the principals of high schools in the larger cities receive an average of only \$7,000 per annum after years of preparation; that in 1920 the average income of doctors and lawyers was only \$1,500, clergymen \$1,200, and teachers only \$900. An agent earning \$3,500 in first year commissions beginning at age 30 and who manages to live on his first year commissions, saving and investing all his renewals, will have at age 50 an estate in cash and renewal commissions of from \$120,000 to \$150,000.

### ARRANGE FOR NEW OFFICES

Committee Named to Plan for Transfer  
of Headquarters of the American  
Service Bureau

Incident to the moving of the headquarters of the American Service Bureau, connected with the American Life Convention, from New Orleans to St. Louis in the Shell building, a special committee has been appointed consisting of President H. M. Woollen, Secretary Claris Adams, Associate Counsel T. W. Blackburn, George Graham of the Central States Life, Harry L. Seay of the Southland, I. M. Laird, Connecticut General, and Fisher Simmons, vice-president of the Bureau, to make the arrangements. The American Life Convention will move its headquarters to St. Louis this week, the offices being ready for business next Monday morning. The committee of the American Life Convention will arrange for the equipment for the American Service Bureau and make the plans for its future operations.

#### Life Notes

Charles A. Romer, one of the leading producers in John L. Shuff's office of the Union Central at Cincinnati, was married last week to Mary O'Day of Covington, Ky.

Seattle offices of the Connecticut Mutual under General Agent H. W. MacDonald have been moved from the 7th floor of the White building to 602-5 Skinner building. The Skinner building is attracting many insurance firms. Among the new life insurance tenants are the Sun Life, Manufacturers Life and Equitable Life of New York.

## Cultivation

*AN insurance man must more and more come to regard his policyholder as a permanent customer and himself as an insurance adviser.*

*The relationship established in the sale of a policy, and this practically means the purchase of an estate, should imply confidence and bring a willingness to mutually cooperate.*

*The best "pluggers" for some agents are their policyholders, and the policyholder should feel that he is privileged to call on the insurance man, in whom he has confidence, for advice and that he can depend on him to give every assistance to his beneficiaries in the settlement of the policy.*

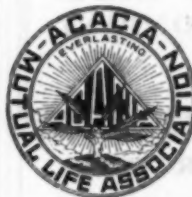
*It is a good thing to remember always that a pleased policyholder is a company's best advertisement.*



**The Prudential**  
Insurance Company of America  
EDWARD D. DUFFIELD, President  
Home Office, Newark, New Jersey

## ACACIA MUTUAL LIFE ASSOCIATION

Insurance in Force.....Over \$210,000,000  
Assets.....Over \$ 17,000,000



#### THE IDEAL POLICY

The low initial premiums of the stock company, combined with the dividends of the mutual. A privilege a Master Mason cannot find elsewhere.

Acacia representatives place more insurance per agent than the salesmen of any other company.

**Renewals based on volume of business—not on premiums collected**

If you care to better your position, write to

**WM. MONTGOMERY, President, WASHINGTON, D. C.**  
Homer Building, 601 13th Street, N. W.

## Security—

When the Mutual Benefit was organized in 1845 there were only a few Life Insurance Companies in the United States. Through the Wars, Panics and Epidemics of all these years, it has always stood safe and secure as a foremost disciple of Pure Life Insurance.

### The Mutual Benefit Life Insurance Co. Newark, N. J.

Organized 1845

## A Hearty Welcome!

The great City of Philadelphia is host to the Nation during these months of celebration of the one hundred and fiftieth anniversary of the signing of the Declaration of Independence, and it is commemorating that momentous event by a Sesqui-Centennial Exposition of notable character, which is the historical successor of the Centennial Exposition of 1876.

The Home Office of the Penn Mutual is on famous Independence Square in Philadelphia, facing Independence Hall, where the Declaration was signed and where hung, and now reposes, the sacred Liberty Bell. We have a hearty welcome for life underwriters who are visitors to Philadelphia during these festival months.

### The Penn Mutual Life Insurance Company Philadelphia, Pa.

Organized 1847

If	If
Territory does make a difference	You are a producer
If	If
Close co-operation is necessary	You believe in yourself
If	If
A friendly interest is needed	You want a REAL job

Write or wire

S. M. CROSS, President

## COLUMBIA LIFE INSURANCE COMPANY

Cincinnati, Ohio

### LIFE INSURANCE COMPANY OF VIRGINIA

INCORPORATED 1871  
RICHMOND, VIRGINIA  
Issues the most liberal forms of ORDINARY Policies  
from \$1,000.00 to \$100,000.00  
with premiums payable annually, semi-annually or quarterly  
and  
INDUSTRIAL Policies up to \$1,000.00  
with premiums payable weekly  
CONDITION ON DECEMBER 31, 1925

Assets	\$ 48,563,667.46
Liabilities	\$9,540,082.35
Capital and Surplus	6,623,575.15
Insurance in Force	\$92,834,191.08
Payments to Policyholders	\$,393,156.74
Total Payments to Policyholders since Organization	\$ 20,176,871.91

JOHN G. WALKER, President.

## FIGURES ON CHICAGO BANK-INSURANCE PLAN

Gratifying Results of Pioneer in  
Field Are Shown in  
Report

### COVERS FIVE YEAR PERIOD

Early Difficulties Now Largely Over-  
come and Plan Is Now Running  
Smoothly

Some interesting figures have been given out by D. E. Ward, manager of the insurance department of the Mutual Life of New York in Chicago, which handles the bank savings-life insurance plan of the Harris Trust & Savings Bank of Chicago. The plan has now been in operation five years and reflects a fair average of the success of this plan, which was one of the pioneers in the country and the first one put in operation in the west. The experience as cited by Mr. Ward and also by D. D. Lovelace, manager of the savings department of the bank, has been gratifying and illustrative of general satisfaction to the insurance, bank, and depositors' interests alike.

#### Shows Five Year Experience

Mr. Ward has summed up the five year business of his department and shown that, in spite of certain adverse conditions of the first two or three years, the plan has shown surprising results. Of the amount of business written, an amount equal to that written by some of the smaller life companies, about 22 percent was rejected by the life insurance company, thus eliminating those prospects entirely from the plan and about 40 percent of those accepted have since cancelled or matured their contracts by death. Mr. Ward points out that at first glance those figures indicate that the plan has not been altogether successful. He analyzes them, however, to show that for the type of business, this has been very satisfactory. The rejection total of 22 percent is high compared with the average business written by the life underwriter, but Mr. Ward points out the prospects covered by the Harris Trust & Savings Bank plan are of a much broader range of type than encountered by the average life underwriter. The personal contacts of the representatives of this plan and the advertising carried on by the bank has attracted men and women from practically every walk of life. Many have voluntarily applied for the proposition and in this respect alone there would naturally be a higher rejection rate. The life underwriter makes his approach himself and, if he sees a prospect is wholly unfit for the life policy, he does not proceed with the interview. In the bank plan the prospect is carried through upon his application, regardless of his condition, until rejected by the life insurance company. There would naturally be a higher rejection rate.

#### Cancellations Are Explained

As for the cancellation of about 40 percent of the business written, Mr. Ward credits this to two important phases of the business. In the first place, the plan was new and somewhat uncertain during the first two or three years of its operation and there was no definite conservation program. Thus, during the first two years a large part of the 40 percent loss slipped from the books and was not followed up and re-sold. For the last two years there has been a highly developed conservation program, Mr. Ward having organized a definite conservation department in his office which devotes its time to follow-

ing up each account upon the lapse of one payment. Thus, unless there is some cause that cannot be met by the representative of the conservation department, it is now seldom that the risk is definitely dropped from the books. Even in those cases where the savings accounts are dropped, the insurance policy is usually continued. Thus, from a life insurance standpoint, even the heavy lapsation shown on the plan is not indicative of the trend of the business. This loss would affect directly the bank and its future operation on the plan, but be of no vital importance to the insurance company carrying the policy. In addition Mr. Ward points out that a part of the total has gone to pay death claims, a very large sum having been paid during the five years of the plan.

#### Cite First Year Lapses

Another factor of importance in connection with the cancellation of the business is the first year lapse rate. Mr. Ward admits that his business shows a higher lapse rate in the first year than ordinary life business, because ordinary life business shows no lapse rate at all during the first year, if written on an annual premium basis. Where the ordinary policy is paid in full for the first 12 months, this plan requires 12 renewals during the first year. Thus, instead of one renewal to be countered with the danger of a lapse, there are 12. Mr. Ward emphasizes the fact, however, that after the first year lapses have been cleaned out, his business shows a more favorable lapse rate than the average lapse rate in second and subsequent years of ordinary life business. He has compared his figures with those of his company and other companies and found this condition true. He believes that the business when definitely sold is a more certain part of the thrift program of the account of the depositor than the average life insurance policy and the other advantage, that of budget payment, rather than the meeting of a large annual premium, adds to the stability of the business.

#### Analyzes List of Policyholders

To illustrate the various types of applicants met, as suggested by the high rejection rates, Mr. Ward analyzed 16,000 policyholders, as a fair sample of the total. These 16,000 risks showed a representation from practically every walk of life and large groups from some branches of business that would be surprising on this plan. He found that practically 12 percent of the total were presidents, vice presidents, managers and ranking executives of business organizations, not only in Chicago, but some throughout the middle west. Still more surprising was the fact that 143 of the accounts were carried by insurance agents. It was not surprising that about 16 percent were clerks, but it was surprising that 8 percent were housewives. The list included every vocation from junk dealers to artists and actors with generous sprinklings among types of workers not ordinarily encountered by the life insurance agent. In fact, Mr. Ward's figures showed that of the total, 41 percent carried no other insurance whatsoever and 7 percent only carried fraternal policies. Only 52 percent of the total had policies in old line companies and of these the majority were very small policies, so that the coverage granted in connection with the savings plan constituted a generous addition to their total estate. Mr. Ward cites these figures as illustrative of the value of the plan under any consideration, as it has carried life insurance to 41 percent of the large number on the account of the bank, people who had no life insurance and who had not previously been sold on the idea.

#### No Life Sales Made

In connection with this, however, Mr. Ward pointed out one of the safety factors that he has stressed in his work. He has not permitted life insurance agents to use his accounts for the solicitation of additional business. He feels that this would react against the



depositor and in many cases result in the cancellation of the entire proposition. He pointed out that the plan had been sold as a savings account, guaranteed by life insurance, and not as a life insurance policy and that the policyholder would resent the approach of an agent for the sale of additional coverage.

It is pointed out by Mr. Ward that any new phase of business encounters difficulties during the early years of its progress which are detrimental to the plan and yet which must be encountered before they can be countered. This plan was particularly new and its launching by the Harris Trust had no precedent whatsoever. It was pioneering in an untouched field and each problem had to be met without reference to the experience of others. It naturally cost the plan some business during the early months and it was some two years before the managers had ironed out some of the important difficulties. It is now operating smoothly, however, and showing a gratifying permanence and stability.

#### Is Not Insurance Plan

Mr. Ward believes that those who object to the plan have not thoroughly studied it and have not grasped the viewpoint that this is a new phase of

business. He said that one of the reasons why it had not been extended in some cases was that his company realized that this was not a part of the life insurance business, but a new branch of the business altogether, and thus it could not profitably be attached to a life insurance general agency, and run entirely by the life men.

Mr. Lovelace, manager of the savings department of the bank, also spoke highly of the progress made in the Harris Trust plan and said that particularly from the depositor's point of view, this is a phase that is valuable to a general thrift program in any community. He said that the depositor is offered the means of guaranteeing his thrift program, whatever savings he has determined to set aside, and thus assures the creation of some definite estate as a part of the investment program. As far as the bank is concerned, he said that the plan is still in its infancy and no definite views can be expressed as yet, but it has shown gratifying results and has been excellent as an advertising medium, if of advantage in no other way. It has brought many new accounts into the bank and has carried the name of the bank into many corners where the ordinary bank business did not formerly go.

## AS SEEN FROM NEW YORK

THAT life insurance for business purposes has definitely entered into all careful calculations of financial experts is again evidenced in the October issue of "Nation's Business," which carries a brief but quite informative article on "Life Insurance Facts for Business Men." Based on a report of the insurance department of the United States Chamber of Commerce, it outlines the variety of corporate and personal needs that can best be taken care of by the use of term, ordinary life, limited payment, and endowment policies.

The same issue of the magazine also carries an interesting article on "Things That Vex the Fire Insurance Folk," by President Sidney R. Kennedy of the Buffalo Fire, who argues a strong case from the point of view of the policyholder against the great and growing supervision and interference of government in the affairs of the insurance business generally.

"Industry—untiring industry—is the basis of all success." That was the point hammered home repeatedly by that incomparable veteran, Edward A. Woods of Pittsburgh, in a recent address before the New York Life Underwriters Association. In an oblique attack on the modern tendency which he feels gives too much importance to purely formal education, whether in insurance or other subjects, he declared, "Knowledge is not motive power." The most encyclopedic knowledge will be of no avail to anyone without the energy or strength to make practical use of it. "What Price Success?" asked Mr. Woods. Untiring, self-sacrificing industry—for every man has all the elements of success within himself if he will but exploit and develop them.

Most men, it is true, deceive themselves and do not give anywhere near all that is in them. In speaking on success, Mr. Woods is an authority not to be lightly challenged, but it would seem that there are other factors even more fundamental than industry. Industry alone may drive the wheels but to no good purpose. A man must first have vision enough to see where he is going and intelligence enough to choose the best route thereto. He must first have the "idea," the plan, the pattern, the design. All the industry in the world will not take a squirrel out of his treadmill cage.

As might be expected of the third

largest business in this country and the world, life insurance has not only developed outstanding leaders in its own world, but constantly attracts leaders from other fields. Particularly is this true of sport and politics. "Red" Grange for a time was an agent of the Connecticut Mutual at Wheaton, Ill. "Bill" Tilden is an agent of the Equitable of New York. The football coach at Columbia University was Frank J. O'Neil, vice-president of the Royal Indemnity. Julian C. Myrick, New York manager of the Mutual Life, is chairman of the Davis cup committee, Franklin D. Roosevelt, formerly assistant Secretary of the Navy and one of the most prominent leaders of the Democratic party, is now vice president of the Fidelity & Deposit. The New York manager of the Fidelity Mutual is Frederick A. Wallis, commissioner of correction.

The list of celebrities that have been attracted to the insurance business could be extended indefinitely: President H. A. Smith of the National Fire of Hartford, formerly coach at Amherst; "Big Bill" Edwards, insurance broker; likewise Richard Enright, formerly police commissioner of New York; likewise Albert Ivins, champion trap shooter, and J. Watson Webb, the international poloist; Republican National Committeeman Charles D. Hilles is New York manager for the Employers' Liability; selling all kinds of insurance in Atlanta is one "Bobbie" Jones, known to most golfers; Ray Schalk, catcher of the White Sox, is an agent of the New York Life in Chicago and Fred Tenney, the once famous first baseman of the Giants, writes in Boston for the Equitable of New York; W. W. Roper, Princeton football coach, has opened an ordinary agency for the Prudential at Philadelphia. Finally, there is George E. Brennan, Illinois manager for the United States Fidelity & Guaranty, who is running this fall with much promise of success as Illinois' Democratic candidate for the United States Senate.

#### Becomes Convention Member

The Beneficial Life of Salt Lake City, Utah, has been admitted to membership in the American Life Convention.

Gardiner Tyler Brooks, agent at Williamsburg, Va., for the Home Life of New York, and Miss Charlotte Milnes Shipman of that town will be married Oct. 28.

# SUN LIFE ASSURANCE COMPANY

of CANADA

A BILLION DOLLARS  
of life assurance in force

ASSETS - - - \$300,000,000

Interest on policy proceeds, profits,  
etc., left with the Company

FIVE and ONE-HALF PER CENT

## MANAGERS WANTED

This is our big year—our business is rapidly expanding. Our field men are prosperous and enthusiastic.

We need a manager in each of three Texas cities—Waco, Houston, El Paso.

Also in Michigan—Detroit, Lansing, Battle Creek.

Also in Ohio—Cincinnati, Toledo.

Also in Baker, Ore., and in Pittsburg, Pa.

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Business in Force, about One Hundred and Ten Million

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; HOWARD J. BURRIDGE, Gen'l Mgr.; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

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### Getting Hold of the Public

AN official of a life company was in Atlantic City during the annual conventions of the NATIONAL ASSOCIATION OF LIFE UNDERWRITERS and the NATIONAL ASSOCIATION OF INSURANCE AGENTS. He happened to be stopping in Atlantic City during both weeks. Although a life insurance man primarily, he attended one or two sessions of the local agents' convention. He found much there to his profit.

In a note to THE NATIONAL UNDERWRITER he makes this very interesting comment:

"I attended almost all the sessions of the life underwriters' convention. Every man had to register and secure a badge. No one could get in the convention hall without a badge. I went to the local agents' convention and the sergeant-at-arms or doorkeeper would not let me in because I did not have a badge. I went to the registration booth, paid \$5, secured a badge and got in.

"The thought that permeated both conventions was the lamentation of the ignorance of the public regarding insurance. Many speakers referred to the fact that insurance was handicapped because the people were ignorant of its processes. Ways and means were suggested as to bringing more favor to the public mind.

"I realize the fact that these organizations must have money and that the members should pay the convention registration fee. It is impossible to conduct these meetings without expense. I am altogether in favor therefore of members and those attached to the convention by business ties to pay the regular fee. The thought however came to my mind that in Atlantic City parading up and down the boardwalk every day were possibly from 40,000 to 50,000 people at least who were strangers. They were looking for features, amusement or otherwise. They wanted something to occupy their mind. On the pier at the time of one of the conventions was a meeting of stationary engineers. I dropped in at this con-

vention a couple of times and was welcomed. I sat down perhaps for three-quarters of an hour at each session and learned something to my interest.

"I was just wondering if there were not a number of people in Atlantic City not of the insurance faith who would have been glad to have dropped into the insurance conventions and stayed for a while to listen to some prominent speaker. For instance, at the life insurance convention President DARWIN P. KINGSLEY of the NEW YORK LIFE spoke. At the fire insurance convention Judge HARRY L. CONN, president of the NATIONAL CONVENTION OF INSURANCE COMMISSIONERS, was a speaker. Suppose a man not engaged in insurance had desired to drop in for a while at one of these conventions. Unless he had paid the registration fee or had a badge he could not be admitted. Maybe there is no practical way of circumventing a few who should pay the registration fee from deadheading the convention. I believe, however, that it would pay these big conventions when they meet at Atlantic City or points like that to do something to attract the people to some sessions of the convention by featuring a special speaker or event that will be a drawing card. Let us not be blind to all these influences to form contacts with the people. Let us maintain our registration fees for those that should pay them, but let us open the doors to those who desire to come to our meetings, for they may learn something of great value to themselves and some prejudices may be at least considerably minimized."

This official gives us all something to think about. We are seeking ways and means of interesting the people and telling them something about insurance. We want the people to know what a great service insurance is rendering, how it conducts its business, how stable it is and how it is the basis of credit and protection. Every possible avenue of approach should be utilized.

### Relying on Close Friends

MANY times insurance salesmen take too much for granted. They feel that they are very close to some friends and that when they are in need of insurance, these friends will pass all others by and come to them. Therefore they do not make a solicitation for their business. It is fre-

quently found that these close friends are diverted to other insurance salesmen, because the latter have put before them a concrete suggestion that makes an appeal. Much business is lost by relying on close friends who are expected to voluntarily apply for insurance.

## PERSONAL GLIMPSES OF LIFE UNDERWRITERS

Arthur W. Paine of Houston, Tex., district manager of the Alamo Life of San Antonio, died last week, following only a few days' illness in St. Joseph's hospital. The immediate cause of his death was due to heart trouble and complications in connection with his liver. Ernest L. Brown, Jr., inspector of agencies, will be temporarily in charge of the east Texas territory, pending the appointment of a successor.

L. H. McDill, manager of the Nashville district of the National Life & Accident, is not only a first rate insurance man, but the best speller in the local Shrine Club. Knocking down such words as "hippopotamus," "clypsidra" and "harlequinade" with a zeal and agility that astonished even those who knew him for a wise man, he set his teeth and demanded harder ones. Of the entire membership of the club he was the only one who survived the fusillade of philology. Mr. McDill's friends would like to have a challenge from any other insurance man who thinks he is a good speller.

Darwin P. Kingsley, president of the New York Life, is chairman of the Phi Beta Kappa Foundation, which is seeking to raise a fund among the members of that national scholastic honor society, in celebration of the 150th anniversary of its founding, to complete the memorial building at the College of William & Mary, where the society was launched in 1776, and to provide funds of various sorts for the advancement of scholarship.

Maxwell D. Schreiber, just appointed assistant to the vice-president of the Public Savings of Indianapolis, during the last year has been in charge of the eastern division field. He has the confidence of the executives and his recent advancement is due to his record. He has 22 years of unbroken life insurance experience, starting as an agent, then becoming superintendent, assistant to the supervisor of agencies of an ordinary company, nine years as manager, seven years as manager of agencies. Under the new program Mr. Schreiber will devote practically his entire time to the ordinary department. He will visit the field and get in touch with the producers.

Dr. Hiram C. Castor, general agent of the Connecticut General Life in Chicago, died suddenly at his home in Evanston, Ill., Friday morning. It is a significant fact that Dr. Castor a few days previous went to a medical institute and had a thorough physical examination, including x-rays of every organ. He desired to have an exhaustive investigation made of himself to catch any incipient trouble. After a thorough examination in every way Dr. Castor was told that he was in most excellent shape.

Until the Connecticut General Life established a branch office in Chicago a few years ago, Dr. Castor was in charge of all the business in that city. Since that time he had devoted himself to personal production. He was active in the Chicago Life Underwriters Association and served as its president. Dr. Castor was 60 years old April 11. He was born in Indianapolis and graduated from the Medical College of Indianapolis in 1890. He practiced medicine in Indianapolis for seven years, moving to Chicago and continuing his practice three years. While doing medical examinations for life insurance companies he became interested in the business itself and contracted with the Mutual Life as an agent. For seven years he carried the rate book and with his medical knowledge was able to render a real service to prospects. He became manager of the Connecticut General Life in Chicago in 1907. He belonged to the Indiana National Guard and then joined the Illinois National Guard. At the time

of the war he was a major in the quartermaster corps. He served at Ft. Houston under Gen. Bell. Shortly after war started Dr. Castor was summoned into the service and retired as lieutenant-colonel. He is survived by Mrs. Castor and two daughters.

Dr. Castor was prominent in church and civic affairs in Evanston. He was chairman of the board of deacons of the First Congregational Church. He was a member of the Evanston city plan commission. He was president of the Twentieth Century Club of Evanston. He was a former president of two different public school parent-teachers' associations. The funeral services were held at the First Baptist Church in Evanston Monday afternoon, inasmuch as the First Congregational Church building is torn down and a new edifice being erected. The active pallbearers were members of the American Legion and the honorary pallbearers were the board of deacons of the First Congregational Church.

Dr. Castor was a man of singularly upright character in business and personal life. No competitor ever charged him with being unfair. He believed in life insurance and followed a code of ethics in business life that always kept him on a high plane.

H. A. Binder, manager in San Francisco for the Massachusetts Mutual Life, is traveling with his family through Italy, Switzerland, Greece, Turkey, Palestine, Egypt, France, Germany, Austria, Belgium, England, Spain, Portugal and other countries. Due to his active interest in civic affairs in his home city, Mr. Binder was appointed by the mayor of San Francisco to act as his representative in investigating civic conditions, with particular reference to community centers, on his trip through Europe.

Although he is in his 73d year, Edmund Strudwick, president of the Atlantic Life of Richmond, Va., is as spry as the average youngster of 25. One of his hobbies is riding after the hounds. Whenever the opportunity affords, he hies himself off to his country estate in King William county where he keeps a pack of fine fox hounds. Already this autumn he has caught several foxes with the pack.

J. C. Cummins, executive advisor of the Equitable of Iowa and brother of the late Senator Albert B. Cummins, on Sunday celebrated the 49th anniversary of his arrival in Des Moines. He went to that city in 1877 from Chicago to open a law office with Senator Cummins, then an ambitious young attorney. He later joined the Equitable and has been for many years one of the executives of the company.

Henry Angell, son of President R. H. Angell of the Shenandoah Life of Roanoke, Va., died a few days ago from tuberculosis. The son was an able young man and had great promise. He had been lingering for some time.

John V. E. Westfall, who resigned as vice-president of the Equitable Life of New York to become head of the European organization of Haskins & Sells, certified public accountants of New York, with headquarters in Berlin, returns to the firm with which he began his business career and to the country where he received part of his education. Born in New York state and graduated from Cornell University in 1895, he studied three years in Germany at the Universities of Göttingen and Leipzig, receiving his doctor's degree from the latter in 1898. On his return to this country he joined the firm of Haskins & Sells, where his statistical ability attracted the notice of the Equitable Life, which engaged him for life insurance research work in 1907. From that po-



sition he rose steadily until he became vice-president in 1922.

The home office of the **Manufacturers' Life** of Toronto was honored by a visit by a noted guest in Canada from India, Diwan Bahadur Sir T. Vijayraghacharya, K. B. E. The Diwan had come to Toronto to open the Canadian National Exhibition and took occasion to visit the home office of the Manufacturers' Life. He was greeted by the entire home office staff and, in response to an introduction by President W. G. Gooderham, addressed those gathered, speaking appreciatively of the hospitality extended to him throughout Canada. The Diwan is one of the leading statesmen of India, being India's commissioner at Wembley, a member of the India legislative assembly and of the public service commission of India.

J. P. Lorentzen has been chosen assistant counsel of the Bankers Life of Iowa, it is announced by Judge W. S. Ayres, chief counsel for the company. Mr. Lorentzen is a member of the law firm of Lorentzen & Shepherd.

William H. Brown, secretary of the Columbian National Life of Boston, has been elected vice-president of the Boston Young Men's Christian Union. Mr. Brown, when he first went to Boston from Vermont, was given his first employment as a clerk in the office of the Union.

Horace H. Bancroft of Jacksonville, Ill., well known local agent, is a candidate for Congress on the Republican ticket in his district. He has long been interested in public and party affairs in his section. He is a past member of the Republican state central committee. He once served as mayor of Jacksonville. Mr. Bancroft is one of the leading local agents in his part of the state. The insurance men of his district regardless of party are strongly supporting him.

#### LIFE AGENCY CHANGES

#### ARE COOK COUNTY MANAGERS

Handelsman & Co. of Chicago Also to Represent Continental of St. Louis at South Bend and Kalamazoo

Announcement is made of the appointment of Henry J. Handelsman & Co. of Chicago as Cook county managers for the Continental Life of Missouri. Henry J. Handelsman, Jr., is



HENRY J. HANDELSMAN, JR.

vice-president and is the active insurance man in the organization. J. Handelsman, his father, is president of the company. Mr. Handelsman, Sr., is a South Bend, Ind., capitalist and theater owner. In addition to the appointment

#### District Agency Opportunities

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## Are You Interested in NEW JERSEY?

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Agents for the Lincoln National Life in New Jersey are enthusiastic about their connection because of their opportunities to serve the public through their up-to-the-minute contracts and wide range of risk acceptance.

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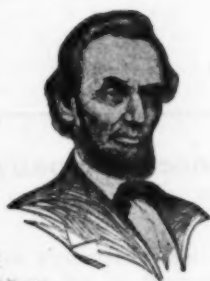
*The*

## Lincoln National Life Insurance Company

*"Its Name Indicates Its Character"*

Lincoln Life Building Fort Wayne, Ind.

**More Than \$435,000,000 In Force**



## Life Insurance in Force

June 30th, 1926  
(Ordinary and Industrial)  
**\$342,950,956.00**

Surplus Security to Policyholders  
**\$4,067,683.48**

Conservative Progress Every Year. Operating  
From Coast to Coast, Canada to the Gulf,  
Cuba and Hawaiian Islands.

## AMERICAN NATIONAL INSURANCE COMPANY

Galveston, Texas

W. L. Moody, Jr.,  
President

Shearn Moody,  
Vice-President

W. J. Shaw,  
Secretary

## The GLOBE MUTUAL LIFE INSURANCE COMPANY

of CHICAGO, ILL.

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The highest grade of service to policyholders and  
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Income Disability  
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Non-Participating

## MICHIGAN

At the present moment, there is a representative from the Home Office of The Franklin Life in Michigan seeking connections with men capable of developing Agencies. Write to Jos. W. Jones, Vice-President in Charge of Agencies.

THE FRANKLIN LIFE INSURANCE CO.  
SPRINGFIELD, ILLINOIS



## George Washington Life Insurance Company

CHARLESTON, WEST VIRGINIA

HARRISON B. SMITH, President

presents opportunity for liberal contracts covering definite territory with Home Office registry and with power of appointment of sub-agents.

The States of West Virginia, Virginia, Ohio, Kentucky, Tennessee, South Carolina, North Carolina, Georgia, Michigan, Oklahoma and Washington.

Address

ERNEST C. MILAIR, Vice-President and Secretary

as managers for Cook county, Ill., Handelsman & Co. have also been made managers for St. Joseph county, Ind. Headquarters for this county will be in South Bend. They have also been made managers for Kalamazoo county, Mich., with headquarters at Kalamazoo. The secretary of the firm is Walter Kadison. Mr. Kadison recently joined the Handelsman Company. He was formerly connected with the Fiscal Trust Company of London, Eng.

Mr. Handelsman, Jr., has made a very creditable record in the life insurance business. He started from scratch just five years ago and in that period has built a very sizable volume. He has written quite a number of very large cases. Although a young man, Mr. Handelsman has piled up a volume of business that would do credit to a man who has been in the life insurance business for many years. He has a pleasing personality and knows how to go out and land the big ones. Mr. Handelsman is quick to establish contact with big men and then makes a systematic follow-up. The majority of the business that he has written and especially the larger cases, some of which run over the half-million mark, have all been due to his ability to follow up acquaintances.

Previous to their connection with the Continental Life of Missouri, Handelsman & Co. represented the Mutual Life of Illinois. Their offices are located in the Kimball building, Chicago.

### PETER NOW DAYTON MANAGER

Succeeds Earl R. Sycks in Important  
Position for Equitable of  
New York

Col Henry Powell, manager for the Equitable Life of New York in Kentucky and southern Ohio and Indiana, has announced the successor to the former district manager at Dayton, O., Earl R. Sycks, now general agent for the State Mutual at Cincinnati. Harry D. Peter has been appointed to this important post. Mr. Peter has been in the life insurance business for seven years, all spent with the Equitable. His first assignment was as agent in his home town, Henderson, Ky. He was soon promoted to be agency supervisor at Evansville, Ind., and later was advanced to a similar position at Cincinnati. Mr. Peter is 43 years old.

### Ray S. Peters

Ray S. Peters has taken over his new duties as district manager in Colorado and Wyoming for the Jefferson Standard Life. His offices are in the new Midland Savings Bank Building, Denver. For seven years Mr. Peters was connected with the Denver office of the Aetna. The Jefferson Standard Life has maintained an office in Denver for the past four years.

### Aetna Life California Changes

General Agent Wilmer M. Hammond of the southern California agency at Los Angeles of the Aetna Life announces that Paul R. Green, agency supervisor, has been promoted to assistant general agent to fill the vacancy created by the transfer of O. H. Martinsen to San Francisco as associate

general agent. The vacancy created by the advancement of Mr. Green has been filled by the promotion of Russell L. Hoghe, a member of the local agency staff. The appointment is also announced of B. G. Lincoln as field supervisor of the territory from San Bernardino to Pasadena.

### H. L. Cantelon

The Sun Life of Canada has opened a branch office in Indianapolis, with H. L. Cantelon as state manager. He was formerly manager of the Sun Life agency in the upper peninsula of Michigan.

### Edward A. Braniff

Edward A. Braniff has been appointed district group supervisor for the Oklahoma agency of the Equitable Life of New York. Mr. Braniff has been with the company for nine years and for the past eight years has been a member of the Quarter Million Club. Several times he has passed the \$1,000,000 mark and promises to establish a record this year. He has written a number of large group policies and has had wide experience with group insurance. He will have his headquarters as group supervisor in Tulsa, his home town.

### B. L. Blue

B. L. Blue has been appointed general agent for the Missouri State Life at Red Wing, Minn., working under the Minneapolis branch office. Recently he was a field assistant for the Equitable of New York, securing and training new agents, and has had years of experience.

### W. E. Pearce

W. E. Pearce, for ten years a field supervisor for the Travelers branch office at Richmond, Va., and more recently with the T. Garnett Tabb & Co. agency there, has joined the staff of Dunlop & Myers, general agents at Richmond for the Aetna Life, and will work under a special agency contract. He is a specialist in closing cases and while he will devote some time to individual personal production he plans to give most of his time to assisting other agents throughout the Virginia field covered by that firm in bringing cases to a successful close. He specialized in this class of work in Richmond while with the Tabb agency.

### James L. Whitmore

James L. Whitmore has been appointed general agent for the Minnesota Mutual Life at Berkeley, Cal.

### Detroit Life Changes

Edward F. Foley has been appointed manager of the Detroit city agency of the Detroit Life. Mr. Foley has had many years experience as a life underwriter, having been in the life insurance business in Detroit for the past nine years.

Burr A. Nelson has been appointed general agent for the Detroit Life for Berrien county, Mich. Mr. Nelson is a prominent citizen in Berrien county and has had considerable life insurance experience.

Gerald J. Cleary has been appointed general agent for the Detroit Life at Escanaba, Mich., succeeding Ernest M. Peck, who has returned to his old field in the southern peninsula and joined the Grand Rapids agency of the company.

### J. L. Ward and J. L. LeMeuse

The Midland Mutual of Columbus has opened a general agency at Washington, D. C., at 938 Investment building, with Jesse L. Ward and Joseph L. LeMeuse, old Guardian Life men, in charge as managers.

### R. L. Gordon

R. Latimer Gordon becomes general agent at Richmond for the Shenandoah Life Nov. 1, with territory embracing most of eastern and south side Virginia. The company is planning an intensive



development of this territory. Mr. Gordon has been an agent for the Atlantic Life for the last two years under General Agent A. O. Swink at Richmond. He has developed into one of the largest personal producers in the agency, specializing on business insurance. He was previously in the banking business in Richmond.

#### Irven Armstrong

Irven Armstrong has been appointed supervisor of the Baltimore agency of the Liberty Life of Chicago.

#### R. H. Rawlings

Russell H. Rawlings has been appointed general agent at Richmond, Va., for the International Life, his ter-

ritory embracing that city and a number of outlying counties. The International is just opening up this field. Mr. Rawlings was previously the head of an automobile sales agency in Richmond and has had extensive experience as a salesman.

#### Life Agency Notes

Clifford Coleman, for the past year a salesman with the W. B. Henderson agency of the National Life of Vermont, has left Kansas City to go with the J. T. Rhoades agency of the National in Roanoke, Va.

Harry J. Wheeler, who recently celebrated his 14th anniversary with the Federal Casualty, and for a number of years state manager for the company in Connecticut, is now associated with the Sam H. Cox Company in Portland, Ore., where he will act as adjuster for the company.

## EASTERN STATES ACTIVITIES

### HAVE INSTRUCTION COURSES

Two Big New York General Agencies Provide Educational Talks for the Rate Book Men

NEW YORK, Oct. 20.—The fifth meeting of the fall education course offered by the John C. McNamara Organization, managers here for the Guardian Life, will be held tomorrow. The speaker will be William J. Louprette, an independent writer and a member of the Life Insurance Association. By consistently writing many average size policies, having averaged 12 paid lives a month for the past five years, Mr. Louprette has built up an annual production that places him among the leading life underwriters of the city. He has used the endless chain and reference method in building up a clientele of more than 1,000 policyholders in the downtown financial district and has very successfully made each policyholder a center of favorable influence. Mr. Louprette will speak on "Prospecting as a Problem of Elimination Rather Than of Finding."

#### Ives & Myrick Course

This week Ives and Myrick, managers here for the Mutual Life of New York, opened the fall term of their agency instruction course which consists of eight lectures given by members of the agency staff over a period of four weeks. The subjects to be covered are underwriting and office procedure, actuarial principles underlying life insurance, policy contracts, selling plans, business insurance, estate problems and taxation. The course will be repeated on Nov. 22 and again in January as a winter term.

#### Spoke to Fraser's Men

NEW YORK, Oct. 21.—At the regular Monday morning meeting of the P. M. Fraser Agency here of the Connecticut mutual, Vincent B. Coffin, director of the life insurance training course at New York university, gave an instructive talk on income insurance. The two greatest dangers, he said, are underselling yourself and overselling your prospect. Next Monday Leon Gilbert Simon will talk on the creation of insurance trusts and the following week Ralph G. Engelsman, agent here of the Equitable of New York and instructor at N. Y. U., will speak on a subject as yet unannounced.

#### Huebner Addresses Cost Accountants

Prof. S. S. Huebner of the University of Pennsylvania, celebrated life insurance authority, addressed the annual convention of the National Association of Cost Accountants last week in Philadelphia. He said that life insurance is property insurance just as much as fire or marine in that it covers business interruption risks in the event of death of a strategic life in business, the same as a material property.

### GOOD HUNTINGTON PROGRAM

Unusual Galaxy of Talents Line Up for Tri-State Sales Congress There Nov. 5

HUNTINGTON, W. VA., Oct. 21.—About 250 life insurance men will assemble here Nov. 5 to attend the session of the Tri-States Life Underwriters Sales Congress. This congress is sponsored by the Huntington Life Underwriters' Association.

On the program will be Robert J. Williams, educational director of the Union Central Life; T. W. Callahan of the John Hancock Life at Boston; Dr. S. S. Huebner of the Wharton School of Commerce & Finance, Philadelphia; Raymond G. Gregory, general agent of the Equitable Life of Iowa at Buffalo, and James Elton Bragg, vice-president of the Manhattan Life.

#### Reliance Life Employees Association

At the annual election of the Employees Association of the Reliance Life of Pittsburgh, the successful candidates for the 1926-27 season were: F. H. Sommers, president; P. J. Mansmann, vice-president; Mary Ryan, secretary; W. J. Snodgrass, treasurer. On the board of governors are: T. J. McKenna, H. N. Helbling and R. N. Barrett.

The first general meeting of the association will be held the first week of November, at which time President Sommer will announce his plans for the ensuing season.

#### Consider Life Insurance Trusts

The preservation of insurance funds and the systematic buying of lines of insurance were the subjects considered at a meeting attended by about 400 agents in Cleveland last week. The meeting was opened by an address by A. F. Young, vice-president of the Guardian Trust Co. It was shown that out of the \$400,000,000 in life insurance maturing in this country and Canada last year, about 90 percent of the money thus paid out was used up very shortly. Closer cooperation between the banks and the insurance men is hoped to result from these meetings, several of which have been held within the past half year. J. Arthur House, president, and A. G. Stucky, vice-president in

## HOW DOES THIS STRIKE YOU? THE GOLDEN RULE AGENT'S CONTRACT HAS BEEN RE- VISED AND IMPROVED

60% graded and one renewal right off the bat.  
5% extra for cash.

Bonus and additional renewals for volume.

Five renewals of 5% for a volume of \$25,000 paid personal production in any agency year.  
\$1.00 per thousand bonus and 10 renewals for \$50,000.  
\$2.00 per thousand bonus and 10 renewals for \$100,000.  
\$3.00 per thousand bonus and 15 renewals for \$300,000.  
\$4.00 per thousand bonus and 15 renewals for \$600,000.

### Automatic Promotion—Vested Renewals—Unrestricted Territory and the Right to Appoint Other Agents

Their volume is combined with yours, and YOU receive the bonus and renewals for which you qualify and they fail to qualify on their business.

There is our whole wonderful agency proposition in a nutshell.

### The Policies You Would Sell Are Equally Attractive

You have heard of PERFECTED ENDOWMENTS which are Ordinary Life with endowment additions and return the savings in addition to the face of the policy in the event of death. You should also investigate

### The Preferred Risk \$5,000.00 Special

Ordinary Life—\$5,000—Age 35—Premium \$106.50  
Dividend \$17.25—First Year Net Cost—\$89.25  
or \$17.85 per thousand  
Contingent upon payment of the second premium

Compare out net cost with that of your favorite company or with Government Insurance. You have a surprise coming

AND THE END IS NOT YET!

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Columbus, Ohio

C. W. Brandon, President D. E. Ball, Vice-President and Sec'y.

## We have opportunities for Agents in Arkansas, Illinois and Iowa

### International Life & Trust Company

Home Office: MOLINE, ILLINOIS

## THE SECURITY LIFE INSURANCE CO. OF AMERICA

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WITH

Insurance in Force.....Over Fifty Million  
Assets.....Over Six Million

AND THAT HAS

Paid Policyholders since organization.....Five Million

WANTS—General Agents and Managers in 17 states

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## Premiums once reduced are permanently lower

War, Flu or other catastrophe can not raise them even to their original level as would be the case in "participating" insurance if "dividends" were decreased or passed.

Do you know of any non-participating policies which provide for sharing in mortality savings and excess interest earnings? Premiums have been reduced under several forms of policies since 1919 and this unique feature is now regularly embodied in all forms of the low-rate non-participating policies issued by the

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Home Office—Cincinnati, Ohio

## Western Reserve Life Insurance Company

MUNCIE, INDIANA

### Old Line Legal Reserve Company

Operates in Indiana and Ohio

**Wanted: A few General Agents  
in each State.**

Service to Policyholders Unsurpassed

## AMERICAN LIFE REINSURANCE CO.

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**Prompt Service From Both Offices  
Maximum Security to Treaty Holders**

A. C. BIGGER  
President

C. W. SIMPSON  
Medical Director

MORTON BIGGER  
Secretary

BERT H. ZAHNER  
Chicago Manager

charge of the trust fund department, were speakers on the work of preserving insurance funds.

### Interesting Plank

An interesting paragraph in the platform adopted by the Democratic county campaign committee at Cincinnati is the following: "We favor and approve legislation that will clearly and specifically exempt life insurance reserves from taxation."

### Gives Training Course at Detroit

Robert A. Judd, assistant agency manager of the Phoenix Mutual Life, conducted a short field training course at the Detroit agency the past week. He is visiting several of the company branches in that section of the country.

### Woods Addresses Altoona Agency

Edward A. Woods of Pittsburgh, general manager of the Edward A. Woods agency for the Equitable Life of New York, addressed a recent dinner meet-

ing of Equitable representatives in Altoona, Pa. Mr. Woods was the principal orator of the evening and discussed modern facilities and progress. R. S. Hershperger, district manager, presided as toastmaster and P. H. Kelly, also of Altoona, delivered an interesting talk on "Success."

### Barford Probe Nearing End

The Pennsylvania department's investigation of insurance companies is nearing an end under the direction of Commissioner Barford. It is reported from Harrisburg that no fewer than 240 companies have been locked into and checked up by Mr. Barford's investigation.

As soon as all the probe data is in Barford's hands he will institute hearings for those companies against which complaints have been lodged. The investigating bureau is now in charge of W. H. H. Baker, W. H. Johnston and A. A. Poist, who, with Commissioner Barford, are directing the examiners in their probes.

## IN THE MISSISSIPPI VALLEY

### EARLY HEARING ON TAX CASE

Missouri Supreme Court Will Take Up  
Question of Taxation of Reserves Nov. 4

Six cases involving the constitutionality of a Missouri statute exempting the legal reserves and unpaid policy claims of domestic stock insurance companies from taxation have been placed on the first day's docket of the Missouri supreme court Nov. 4. It is possible that a decision will be handed down early in November.

Recently the Missouri supreme court in a case brought on behalf of the Equitable Surety Company by counsel for the receiver of that company held that the statute exempting the reserves and unpaid policy claims from taxation was in full force and effect. In that case the city had not properly laid the ground work for an attack on the constitutionality of the law.

In the cases scheduled for hearing Nov. 4, Associate City Counselor Dolan of St. Louis, who has represented the city in the litigation, has properly laid the basis for an attack on the constitutionality of Section 6386, the exemption statute, so that a decision on that vital point will be had at this time.

### Agents Were Made Parties

A new method has been tried at St. Paul to prevent the removal of a case against the Equitable Life of New York from the state to the federal court by including the local agents of the company as defendant. Attorneys for the Equitable obtained the consent of the state court for the removal of the case on the ground that no cause of action had been shown against the agents. The case involves the alleged non-delivery of a policy for \$105,000 applied for by James C. Andrews, wealthy Minneapolis hotel man, who died several weeks after ordering the insurance but before the policy was delivered. The beneficiary charged the company with negligence in failing to deliver the policy promptly.

### Honor Agency Director

The branch office of the New York Life in St. Louis held a banquet last week to honor Henry E. Walker, agency director, who has been with the company 25 years. He went to St. Louis from New Orleans four years ago to take charge of the commercial branch and under his leadership the business has shown a remarkable increase. The speakers were Dr. W. P. Gephart, vice-president of the First National Bank of St. Louis, who spoke on "A Business Man's View of the Life Insurance

Man" and B. Notzon of Kansas City, southwestern supervisor for the New York Life, who gave a talk on "The Essentials of Life Insurance Selling."

### Equitable Life Fargo Meeting

A district meeting of the Equitable Life of New York was held last week at the new offices in Fargo, N. D. H. J. Gilbertson of Fargo, district manager, presided. Dr. W. M. Edgerton, medical referee, and W. L. Boyce, superintendent of agents, both of St. Paul; J. S. Murphy, Minneapolis branch manager, and O. A. Schollander of Fargo gave talks.

### Illinois Agents Meet

Fifty representatives from 30 central Illinois counties attended the all-day conference of the New York Life at Decatur, Ill. Robert E. Whitney, inspector of agencies in Iowa, Illinois and Nebraska, was the principal speaker. The meeting emphasized the importance of the branch office, which was opened here Feb. 1, 1926, with R. J. Dunning, agency director in charge. Expansions to make the Decatur office the largest in the middle west are planned.

### Plan for Joint Meeting

The next joint meeting of the Insurance Club of Chicago and the insurance division of the Junior Association of Commerce will be held in the auditorium in the Insurance Exchange, Oct. 28. Hazen P. Aiken, agency supervisor of the Continental Assurance and Continental Casualty, will speak on "Health and Accident Insurance." Mr. Aiken is a specialist on non-cancellable disability. W. W. Williamson, Chicago manager of the Phoenix Mutual Life and former president of the Chicago Life Underwriters Association, will give an address.

### Prospects Fair in Nebraska

Insurance men who have gone over the crop situation in Nebraska feel that there are excellent prospects for increased business in all parts of the state save the central and southwestern sections. There the financial situation is reflected by the fact that the banks are borrowing heavily from their city correspondents. Elsewhere financial conditions are easy. Some of the life agencies that have paid particular attention to the panhandle, which is the tier of counties in the extreme southwest, have been getting results highly satisfactory, and report money as plentiful.

Allen C. Dean has been elected auditor of the Liberty Life of Chicago succeeding Norman C. Allison.



## IN THE SOUTH AND SOUTHWEST

### LIFE POLICY AS SECURITY

#### Right of Pledgee to Take Surrender Value—Defendant's Failure to Plead Estoppel

In an action on insurance policy taken out by plaintiff's husband, the husband had been indebted to a bank and together with the plaintiff had made an absolute written assignment of the policy to the bank and delivered the assignment and the policy to it. The bank delivered the policy and the written assignment to the defendant company which paid the bank the surrender value of the policy. These facts the company set up in defense, but plaintiff replied that the real transaction with the bank at the time of the assignment was a mere pledge of the policy to the bank and that the lien of the pledge had never been foreclosed by demand of payment or the required statutory notice and that therefore the bank was without right to surrender the policy. The jury found that the transaction was not an absolute assignment or sale of the policy but was a mere pledge thereof to secure plaintiff's husband's debt and found a verdict for the plaintiff.

Held, that judgment must be affirmed. Under the laws of Oklahoma a pledgee of an insurance policy did not have the right to take the surrender value of and surrender the pledged policy. Section 8204, Oklahoma Statutes, provides that a sale by a pledgee of property pledged must be by public auction. Under Section 8201 the pledgee must give actual notice to the pledgor of the time and place at which the property pledged would be sold and Section 4123 provides that a bank may sell pledged personal property on posting notice in five public places in the county where the property is to be sold at least ten days before the time therein specified for such sale. The court discussed defendant's claim of a personal estoppel of the plaintiff, stating that no such defense had been framed by the pleadings and was too late and "obscure" at this, a trial on appeal. Thus the defendant failed to take advantage of the general rule of law that the owner of property who clothes another with the apparent title or power of disposition of it whereby a third party is induced to purchase or deal with it to his injury is estopped as against the latter from denying that the apparent was not the true title.—New York Life Ins. Co. vs. Rees, U. S. Circuit Court of Appeals, 8th Circuit.

#### Day Heads Fund Campaign

C. C. Day, Oklahoma City general agent for the Pacific Mutual Life and past president of the Oklahoma Association of Life Underwriters, was appointed chief of the "Hod Carriers," one of the teams entering a contest to raise the Oklahoma county quota of \$146,512 for Oklahoma, Inc., an organization to finance the advertising of the state to the world. The opposing team, styled "the Mud Mixers" is headed by Sam Shelburne, one of the leading automobile men in the state. As a wager, the losing team is to wheel the winners through the main business street in wheelbarrows and also furnish a corn-beef and cabbage banquet.

#### Great Republic Arkansas Meeting

An informal gathering of the members of the Arkansas agency of the Great Republic Life, together with the company's medical examiners in that field, was held in Little Rock Oct. 16 to meet Dr. Harry M. Brandel, medical director, who was en route to New York City to attend the convention of the National Association of Medical Directors. The meeting was in charge of A. L. Hart, superintendent of agencies of the company's central depart-

ment, and was held to afford an opportunity for general discussion of the relations between the agents, the medical examiners and the medical department of the home office.

#### Goes to Prudential Home Office

William T. Reynolds has resigned as assistant cashier of the Richmond, Va., office of the Prudential and has gone to the home office for a six months' course of study. At the expiration of that period, he plans to return to Virginia and to do supervisory work with Prudential agents in the field. He started out in the Richmond office a few years ago after finishing a course at the Virginia Military Institute and has been devoting practically his entire time to office work. He is a son of Thomas P. Reynolds, Virginia manager for the Prudential.

#### When Cause Can Be Removed

Right of Insurance Company to Remove Cause to Federal Court—Held that an insurance company may remove cause to federal court when it is a citizen of another state and the controversy involves more than \$3000, and it does not lose this right by complying with the state domesticating statute. Van Dyke vs. Prudential, Sup. Ct., N. Carolina., Sept. 28.

#### Sun Life in Kentucky

The Sun Life of Canada has been licensed by Commissioner S. M. Sautley in Kentucky.

#### Open Dallas "Y" Course

Henry T. Hirsch, district sales manager of the Great Southern Life, Monday opened the current session of the Y. M. C. A. School of Commerce for Dallas, 1926 term, with an address on "How to Win Success."

#### United Fidelity Appointment

The United Fidelity Life of Dallas announces the appointment of C. J. Maner as special representative of the bankers' loan department. Mr. Maner was formerly with the state banking department.

#### Mid-Continent Life Weddings

The Mid-Continent Life of Oklahoma City has had three weddings in its ranks within the past month. S. B. Huff, manager of the Dallas office, was married to Miss Edith Ball of Bowie, Tex. C. Lester Estes, who led the force in paid production in August, married Miss Katye Young of Cordell, Okla., and Jewel Cunningham, who has literally grown up in the company home office, married Miss Josephine Clark.

### PACIFIC COAST FIELD

#### Writes Million-Dollar Policy

Charles L. Lewin of Los Angeles, one of the leading life underwriters on the Pacific Coast, has written a policy for \$1,000,000 on the life of Jacques Vinmont, president of the California Petroleum Corporation. In addition to this policy of corporation insurance, Mr. Vinmont was also written by Mr. Lewin for a large amount of personal insurance, making him one of the most heavily insured men on the Pacific Coast.

#### Farewell Dinner for Martinsen

A farewell dinner was given by General Agent Wilmer M. Hammond and members of the field organization of the Los Angeles agency of the Aetna Life last week in honor of O. H. Martinsen, prior to his departure for San Francisco to assume the duties of asso-



**SOUTHLAND LIFE INSURANCE COMPANY**

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**HARRY L. SEAY, President**

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Some very desirable territory still open in its home state—TEXAS. Exceptional opportunity for the right man in Tennessee, Minnesota and Indiana. The Southland's agents receive wholehearted Home Office co-operation.

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ciate general agent in that city. The agents were represented by J. L. Bickford, who expressed deep appreciation of Mr. Martinsen's services to the mem-

bers of the agency and presented him with a handsome desk set, together with an engraved testimonial bearing the signatures of all members of the agency.

## ACCIDENT AND HEALTH

### PSYCHOLOGY OF ADJUSTMENTS

**E. V. Mitchell of Continental Casualty Speaks on That Topic Before Chicago Claim Association**

The psychology of adjusting contested claims under accident and health policies was discussed by E. V. Mitchell of the Continental Casualty at last week's meeting of the Chicago Claim Association. He pointed out that the qualifications of an adjuster from one point of view were the same as those of the salesman, inasmuch as the first essential is to figure out what is in the back of the other fellow's head. There is one important difference, however, in that the great problem for the salesman is always that of getting an entree, which is not a factor in the adjuster's work. In that respect, he is in the position of the buyer rather than the seller.

Mr. Mitchell held that it was best to get the claimant to make his proposition first. Then, after his position has been definitely stated, in cases where it is felt that something is due to the claimant, the claim man should have a definite counter-proposition ready to submit at once. In cases where it is not felt that there is any real liability, however, and it is desired to make a settlement as a matter of policy rather than of justice, he held that the adjuster should lead the claimant along and let him get as far down the line as possible before making a counter-proposition, not making any final offer until it is practically certain that a settlement can be reached. He took the ground that where a claimant has made a definite proposition, he usually can be counted on to stand by it, unless there has been some change in conditions.

Both in Mr. Mitchell's address and in the discussion which followed, emphasis was laid on the necessity for a thorough preparation through investigation and otherwise and having all of the facts in mind before interviewing the claimant. It was pointed out that in too many cases the adjuster goes into such an interview without having any definite idea of what he is going to say.

Stress also was laid in the discussion on the desirability of greater cooperation between companies in the exchange of information, both in regard to the facts at issue and in regard to proposed settlements of cases.

A. K. Anderton, formerly with the Pacific Mortgage Company, has resigned to become district agent at Spokane for the health and accident department of the Pacific Mutual Life, a position recently vacated by George Shannon.

### PRO-RATING IS NOT ALLOWED

**Kansas Department Holds Life Insurance Disability Clause Not Parallel to Accident Contract**

TOPEKA, KAN., Oct. 20.—An accident and health policy in Kansas is not subject to pro-rating because the policyholder also holds a life insurance contract with a disability clause attached. This is the ruling of the Kansas department, which is insisting on payments until the courts decide against it.

"It is our view that a life insurance contract with a disability clause is not an accident and health contract that comes within the scope of the standard provisions relating to pro-rating," said Charles Hobbs, actuary for the department. He submitted the question to the attorney general, who agreed with this view.

"The standard provisions of accident contracts are to prevent over-insurance. They are entirely proper and should be enforced and this department is ready to help enforce them properly. But we feel that the disability clause of life insurance contracts is not similar insurance that entitles the accident and health company to pro-rate its indemnity."

### All on Elimination Basis

The General Accident has announced that effective Oct. 15, it will charge present health rates and eliminate the first week's liability for illness on all new business under all forms of health and disability policies issued by the commercial accident and health department.

All new commercial accident, health and disability policies will be issued on an annual basis at published rates, or if written on a semi-annual basis, on additional premium, equal to 5 per cent of the annual premium, will be required. No policies in this department will be written on a quarterly basis.

Established business will not be affected by these announcements.

### Plan Medical Expense Company

A new insurance company is under process of organization in Topeka. J. A. Lower, a Topeka insurance man, is at work on the formation of the company, which will write medical expense insurance only. It is planned to incorporate as a mutual accident and health company, but the promoters propose to limit the coverage entirely to indemnity for medical supplies and attendance for the policyholder. The company is to pay all expenses of sickness, medicines, physicians and nurses for the policyholder. The company must secure 200 applica-

tions and deposit a reserve of five times the maximum single risk. It is the first company of its kind to be organized in Kansas.

### Pushing the Life Company

The United States Mutual of Chicago, which writes health and accident business, is pushing the Mid-West Life, its running mate. The Mid-West Life has now developed a debit of \$2,000 a week, it having started just a few months ago. The accident and health premiums this year for the United States Mutual will amount to about \$725,000. A great bulk of this is weekly premium insurance among colored people. The Washington-Fidelity-National, the National Life & Accident of Nashville and the United States Mutual are the three leaders in this class of business in the city.

### Starts School of Instruction

The Underwriters Mutual of Chicago, which writes health and accident insurance, and the Underwriters Mutual Life have started a school of instruction for agents in charge of Secretary J. E. Mitchem. In addition to oral instruction, written lessons have been prepared by Mr. Mitchem devoted both to disability and life insurance. The company employs three female nurses to look after its cases and make inspection of claims. It believes that these nurses are able to render real service both to the claimants and the company. The combined premium income this year will run about \$250,000. It devotes almost its entire effort to Chicago, selling weekly premium business to colored people.

### Claim Ratio Is High

Companies writing weekly payment disability business in Chicago find that the claim ratio has kept up to a rather high point during the last five months. Companies during the summer and early fall anticipate a low loss ratio following the run of influenza, pneumonia and other respiratory diseases in the winter. It is thought that the rainy weather, murky and depressing atmosphere have had something to do with the high claim ratio.

### Made Colorado Manager

J. A. Greenwald of Minneapolis, who has been one of the leading accident and health producers of the Great Northern Life ever since joining that company, has been transferred to Denver to become state manager for the company in Colorado.

### Interstate Plans Conference

Officials of the Interstate Business Men's Accident of Des Moines are laying plans for their annual conference to be held there early in January. The five field managers from the various districts will meet soon at the home office to formulate a program of work for the next year.

### Necessary Found Unnecessary

CHARLESTON, W. VA., Oct. 20.—Last year the Commonwealth Casualty registered O. V. Necessary of Seth, W. Va., as a regular agent, but the company has failed to receive the necessary premiums paid to that agent by some 21 men who were willing to apply for health and accident policies. The insurance department early in the year received several

complaints from people who said they had paid Necessary for policies they did not get. The company stated that it had not received any application from Necessary and had sent forward no policies. The state department sent Miss Garnette McCormick on the quest. Miss McCormick went to Madison by train, then took a taxi over mountain roads for 21 miles. The last three miles in the wilderness had to be taken afoot. She found the Necessary family in a slab hotel provided by the lumber company. Necessary admitted having taken the applications. He said he had secured money orders and had mailed them to the company, but that there was a postoffice fire that same night and the mail had burned up. The trouble is that these applications were taken out in September, 1925, and the postoffice fire was Feb. 13, 1926. The policies, if written, would have expired by this time. Captain White of the state department is deliberating whether it is now necessary to compel Necessary to disgorge the necessary money.

## NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$3.50 and the "Little Gem" published annually in April at \$2.00.

## SHOW NEW CHILDREN'S RATES

**Connecticut Mutual Also Issues 1926 Dividends on Life Paid Up at Age 65 Policy**

The Connecticut Mutual Life has issued rates for life and endowment plans at ages 10-15, samples of which are as follows:

	10	11	12	13	14	15
Annual.	\$14.94	\$15.19	\$15.73	\$16.01	\$16.31	
10 Pay.	41.04	41.53	42.56	43.10	43.66	
15 Pay.	29.82	30.17	30.93	31.33	31.74	
19 Pay.	25.17	25.47	26.12	26.45	26.80	
20 Pay.	24.31	24.60	25.22	25.55	25.89	
25 Pay.	21.09	21.34	21.89	22.17	22.47	
30 Pay.	19.01	19.24	19.74	20.00	20.27	
To 65...	15.06	15.31	15.85	16.13	16.43	

	10	11	12	13	14	15
10 Year	106.08	106.10	106.13	106.15	106.17	
15 Year	67.51	67.54	67.58	67.60	67.62	
20 Year	48.59	48.61	48.67	48.70	48.73	
25 Year	37.51	37.54	37.61	37.64	37.68	
30 Year	30.37	30.41	30.48	30.53	30.57	
35 Year	25.47	25.52	25.61	25.67	25.72	
At 60...	17.61	18.01	18.89	19.37	19.86	
At 65...	16.29	16.62	17.35	17.74	18.14	
At 70...	15.38	15.67	16.30	16.63	16.98	
At 75...	15.00	15.25	15.79	16.07	16.37	

The premium rates, without disability or double indemnity, together with specimen dividends, on the 1926 new life, paid up at age 65 policy, are as follows:

Age	Prem.	1st	3rd	5th	10th	20th
10.....	\$15.06	\$3.64	\$3.81	\$3.99	\$4.48	\$5.77
11.....	15.31	3.66	3.83	4.02	4.54	5.87
12.....	15.57	3.68	3.86	4.05	4.59	5.98
13.....	15.85	3.70	3.89	4.09	4.66	6.09
14.....	16.13	3.71	3.91	4.13	4.71	6.20
15.....	16.43	3.74	3.94	4.16	4.77	6.32
16.....	16.77	3.76	3.98	4.21	4.84	6.45
17.....	17.14	3.80	4.03	4.26	4.91	6.60
18.....	17.53	3.82	4.05	4.30	4.99	6.73
19.....	17.93	3.86	4.10	4.36	5.08	6.89
20.....	18.36	3.89	4.14	4.40	5.15	7.04
21.....	18.81	3.92	4.19	4.46	5.24	7.21
22.....	19.28	3.96	4.23	4.52	5.34	7.38

## New Policy

Disability Benefits of \$15.00 per \$1,000.00

Waiver of Premium

Broader Double Indemnity Clause

Loans at end of Second Year

ORGANIZED 1850

*The Manhattan Life*

INSURANCE CO.

66 BROADWAY

NEW YORK



Dividends, 1926 Scale					
Age	Prem.	1st	3rd	5th	20th
15	19.78	4.00	4.28	4.58	5.43
20	20.30	4.03	4.33	4.64	5.54
25	20.86	4.08	4.39	4.72	5.64
30	21.45	4.11	4.44	4.78	5.75
35	22.07	4.16	4.51	4.87	5.88
40	22.73	4.21	4.57	4.95	6.00
45	23.43	4.26	4.64	5.03	6.13
50	24.17	4.32	4.71	5.12	6.28
55	24.97	4.38	4.79	5.23	6.43
60	25.81	4.45	4.87	5.33	6.59
65	26.71	4.51	4.96	5.44	6.77
70	27.67	4.59	5.06	5.56	6.95
75	28.70	4.66	5.16	5.68	7.15
80	29.80	4.76	5.28	5.83	7.36
85	30.99	4.86	5.41	5.99	7.61
90	32.27	4.97	5.56	6.16	7.86
95	33.64	5.09	5.71	6.35	8.13
100	35.13	5.23	5.87	6.55	8.43
105	36.75	5.38	6.06	6.78	8.76
110	38.50	5.53	6.25	7.01	9.12
115	40.42	5.70	6.46	7.27	9.49
120	42.52	5.89	6.70	7.56	9.91
125	44.82	6.09	6.96	7.87	10.36
130	47.36	6.32	7.23	8.21	10.86
135	50.18	6.57	7.56	8.60	11.42
140	53.32	6.85	7.90	9.01	12.04
145	56.83	7.16	8.29	9.48	12.76
150	60.79	7.51	8.73	10.02	13.54

## AUTOMATIC CONVERSION PLAN

Mutual Life Combines Term Insurance  
With Privilege of Changing to  
Another Policy Form

The Mutual Life is now extending the period heretofore covered by special term premiums by a combination designated "term insurance with automatic conversion."

This new arrangement for the convenience of the public is a combination of term business for a number of years (two to five, inclusive), to be selected in advance, followed by a regular plan of insurance to be determined at the time of the original application.

The entire contract will be written as one policy on the regular plan applied for, carrying a rider and indorsement covering the term insurance. By this means the change at the expiration of the term period is automatic, requiring no action on the part of the insured, other than payment of the premium then due for the regular policy plan.

The term insurance on males between 21 and 53 may, if desired, contain any of the special benefits except waiver of premium only, and the regular policy to follow will carry the same benefits. Without the special benefits the combination will be issued at ages 21 to 63 inclusive.

This combination will be issued on female lives at ages 21 to 63. No special benefits will be issued in the combination.

## Great Republic Life

The Great Republic in its new rate book has added a new policy, the "Ideal Savings." Coupons attached to this form make it a 20 payment life contract if used to reduce premiums, or a 20 year endowment if coupons are left to accumulate. The insured may elect at the end of 20 years to receive a paid-up policy for the face amount and withdraw the accumulated coupons in cash, which at age 35 will be \$434. Several other options are available such as fully paid-up life insurance before 20 years or a paid-up policy at end of 20 years for an increased amount.

The guaranteed investment contract and the special term policy paid in 20 annual installments have been eliminated. Double indemnity has been reduced from \$2.40 to \$2 per \$1,000 of insurance. Disability rates have been revised and are now as shown below at sample ages for waiver of premiums and \$10 monthly income:

Age	End Age 85		Coupon		Select Risk	
	Ord.	Pay	Ord.	Pay	Ord.	Pay
16	1.46	1.96	1.46	1.96	1.46	1.96
20	1.46	1.96	1.50	1.98	1.46	1.96
25	1.70	2.14	1.78	2.16	1.70	2.14
30	2.00	2.32	2.10	2.36	2.00	2.32
35	2.40	2.54	2.48	2.60	2.40	2.54
40	2.82	2.78	3.08	2.90	2.82	2.78
45	3.64	3.62	3.84	3.78	3.64	3.62
50	4.72	4.76	4.98	5.02	4.72	4.76
55	6.46	6.54	6.90	6.94	6.46	6.54

## Universal Life

The new annual excess interest dividend policy of the Universal Life of Missouri provides that the policyholder shall receive the annual excess interest dividend on the basis of the rate earned by the company, less 4 percent. The 3 1/2 percent accumulation under the policy

reserve requirement is first deducted, and one-half of 1 percent is taken by the company for investment expense. The balance of the interest earning is then payable to the policyholder as an annual dividend. These dividends may be left to accumulate at the full rate declared by the company, which is guaranteed to be not less than 3 1/2 percent. These accumulations may be applied to shorten the premium paying period under the policy. At age 35 on the ordinary life plan, the premium without the company's special feature is \$22.71 and on the 20 payment life plan, the premium is \$31.27.

The company's special features include waiver of premium and monthly income disability, double and triple indemnity. The triple indemnity covers not only the usual travel accidents in public conveyances, but also covers private conveyances, and death resulting from being struck by either a public or private conveyance on the public highway. With the special features, the ordinary life rate for the excess dividend policy at age 35 is \$27.21 and on the 20 payment life plan is \$35.92.

## State Life

The State Life of Indianapolis will increase its dividends next year about 50 percent over the schedule for 1926.

## Penn Mutual Life

The Penn Mutual Life has announced that in the future it will grant loan values on policies during the second policy year. Hitherto the company has permitted loans only in the third policy year. Under ordinary life, limited payment life and endowment policies, the second year loan value will be the reserve at the end of that year less the surrender charge of \$10 per \$1,000, such value to be reduced by interest at the rate of 6 percent annually. The company has also liberalized its regulations concerning insurance for married women by opening all ordinary life, limited pay life and endowment forms to ages 35 and over. The company has not been allowing any married women insurance where the insurance period extended beyond age 65. The company will continue to write only endowments running not longer than 30 years on married women under age 35 and term insurance will not be issued to married women at any age.

## New World Life

The New World Life of Spokane has announced to its agency force that it is entering the non-medical field. All applications up to \$2,500 on the lives of men will be written on the non-medical basis. Women applicants will be written up to \$1,500 on the non-medical. The age limit on men is between 18 and 50; on women between 18 and 40. The company is writing non-medical on all its forms except term and joint life policies.

## Equitable Life of Iowa

The Equitable Life of Iowa has inaugurated a new ten-year term policy with full disability coverage and conversion privileges and will also issue life income policies on children between 10 and 14 years old.

Relative to the new 10-year term policy, the company's officials state that within the eight year conversion period and before the policy anniversary period nearest the insured's 60th birthday the contract may be exchanged without medical reexamination for a participating life or endowment policy, providing the premium paying period of the converted policy is 20 years or more.

## LOCAL ASSOCIATIONS

## BIG MEETING IN NEW YORK

Opening Dinner Meeting of Season  
Attracts an Attendance of 800  
Members and Guests

NEW YORK, Oct. 20.—The first dinner meeting this year of the New York association was held here last week. It was the largest gathering of its kind that ever assembled here, almost 800 members and guests having arrived before the company sat down. President W. R. Collins presided as toastmaster. Prominent figures at the speakers' table included Vice-President

You may believe there is nothing new under the sun, but after considering our General Agency proposition you may not be so sure about it.

THE Gem City Life was organized in 1911. For over 15 years the company has had a steady and satisfactory growth. Old enough to have secured valuable underwriting experience—big enough to have financial stability—young enough to have high ideals and great ambition, and small enough to be able to maintain a personal contact with its agents. The Gem City Life is an ideal organization in which you will find all the good things you have been seeking in a company.



General Agency Openings in  
West Virginia, Georgia, Alabama, Louisiana, S. E. Ohio

The GEM CITY LIFE  
INSURANCE COMPANY

Dayton - - Ohio

L. A. MORRISETT, Vice-President

We have openings in Ala., Ark., Del., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., N. M., N. C., Okla., S. D., W. Va. and Wyo.

## Our Agents Have

## A Wider Field—

## An Increased Opportunity

## Because we have

Age Limits from 0 to 60.

Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i. e. Annual, Semi-annual or quarterly premium plan.

Participating and Non-Participating Policies.

Same Rates for Males and Females.

Double Indemnity and Total and Permanent Disability features for Males and Females alike.

Standard and Substandard Risk Contracts, i. e. less work for nothing.

THE OLD COLONY LIFE INSURANCE  
COMPANY of CHICAGO

B. R. NUESKE, President

## OUR NINETY-FIRST BIRTHDAY

Ninety-one years ago, April 1, 1835, Massachusetts chartered the New England Mutual. This is the oldest Charter now existing.

The granting of this Charter had a vast significance, for it introduced a New Idea, which cleared the way for the present growth of Life Insurance.

## THAT IDEA WAS MUTUALITY

New England Mutual Life Insurance Company  
of Boston, Massachusetts

# Your Prospect's Future is the same as your own

When you line him up for the policy he wants, and the policy he needs, you have made a staunch friend, and contented customers mean repeat orders in insurance as well as other lines of business. Sell this contract:

Any natural death.....\$5,000  
Any accidental death..... 10,000  
Certain accidental deaths..... 15,000  
Accident Benefits \$50 per WEEK.  
(Non-cancellable)  
Also Disability Income, Waiver of  
Premiums, etc.

## ALL IN ONE POLICY

You can see how worthy such a contract is in the hands of a progressive agent and we invite you to give serious consideration to the United Life "Policy You Can Sell."

There may be an opportunity in your town. Our Vice President, Eugene E. Reed, will tell you all about it. Write him direct . . . and directly.

## UNITED LIFE AND ACCIDENT INSURANCE COMPANY

Concord

New Hampshire

**Inquire!**

## A Loyal Efficient, Agency, Corps

Back of the success of a life insurance company is a force of enthusiastic men and women in the field, following a vocation they like and serving a company in which they have confidence and pride. Their value to their respective communities and their own individual success stand upon the service their company renders to its constituent members—the proving test.

The Mutual Life of New York, the first American legal reserve mutual life insurance company, has for eighty-three years met the proving test of service to its members. Today, the Company's high prestige accorded to public service and achievement is upborne and carried on by loyal, efficient and contented field workers.

They have unsurpassed contracts and facilities to offer to their public—all standard forms of insurance (ages 10 to 70) and annuities, both for men and for women; Disability and Double Indemnity Benefits; policy loans in branch agencies, and all other features of service the Company deems justified.

They take a pride in building greatly upon a great past—a loyal, efficient agency corps successful for the Company and for themselves.

Those who contemplate life insurance field work as a vocation are invited to write to

**The Mutual Life Insurance Co.**  
of New York  
34 NASSAU STREET  
NEW YORK, N. Y.

## Going Up!

When an old established company, resting solidly on one of the strongest financial foundations to be found in life insurance, begins to grow, it usually moves upward by leaps and bounds. Unusual opportunities are then created for the representatives of that company. With them it is a case of "being in on the ground floor," for the company's success is their success, and as the company grows so do they.

Backed by its great financial strength, The Guardian has enjoyed an unusual growth in these past several years. Our new business in 1925 was nearly 50% better than 1924, a gain of about three times greater than the average. For the first half of 1926 our gain was 20% over the same period of last year, or twice the general average for all leading companies. This is a gain of about 62% over the first half of 1924.

These figures tell the story better than anything more we could say, except that The Guardian does not mean to stop there. Men of the right calibre will find their opportunities with us.

T. LOUIS HANSEN, Vice-President

**THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA**  
Founded 1860 under the Laws of the State of New York  
38 UNION SQUARE, NEW YORK

Paul Clark of the National Association of Life Underwriters, Vice President Griffin Lovelace of the New York Life, formerly director of the New York University insurance training course, and Frank L. Jones, former president of the National association.

### Coffin Is First Speaker

President Collins introduced the first speaker of the evening, a tall young man with an engaging smile, a pleasing voice and many ideas, Vincent B. Coffin, the successor of Dr. Lovelace at New York University. Speaking on "The Building of a Big Idea," Mr. Coffin pointed out the trend in modern business towards wholesale lines and amalgamations, under one roof or under one control. In the insurance business the same trend is manifested in group insurance and salary savings insurance. In the beginning more than one company looked askance at group insurance as inimical to the agency system, said Mr. Coffin. The selling of life insurance, he said, will always be a personal service. The advice, counsel and direction of competent agents will always be necessary. And as competence depends upon training, he made a plea for better and broader insurance education, whether obtained in a university, a home office school, an agency school or from personal contact with individuals. In life insurance as in medicine there is a demand for specialized services, and medicine became a profession only when it managed to rid its ranks of undesirables and incompetents by means of educational requirements, educational in the sense that a man had to know his work thoroughly before he could practice.

### Woods Is Honor Guest

"What Price Success" was the theme illuminated by the wit of Edward A. Woods, the guest of honor, a former president of the National association, whose agency of the Equitable of New York at Pittsburgh is one of the largest in the world, doing more business annually than many entire companies. Mr. Woods first paid a high tribute to William Alexander of the Equitable as the first of the great pioneers in insurance education. According to Mr. Woods, the one universal ingredient found in all cases of success is untiring industry. All outstanding men in the history of business, government, science, art or any other line of endeavor have been unusually industrious. Industry breeds enthusiasm, he said, for the man in action is not the discouraged man. Discouragement comes only to those who sit idly to one side and watch others pass them on the climb to the top. Statistics show that 38 percent of all business failures result from lack of industry and another 38 percent from discouragement, which is itself a result of lack of industry.

### HOUSTON HOLDS BIG MEETING

Members Are Enthusiastic About the Possibilities for the Future Development of the Association

HOUSTON, TEX., Oct. 19—What was claimed to be the most enthusiastic meeting of the Houston Association of Life Underwriters was held last week, when 37 new members were reported enrolled in the organization. The additional membership was the result of a contest between teams of the organization. A program of future activities for the members included 17 different subjects which it is intended will place the Houston association among the most progressive and wide awake organizations in the country.

### Free Subscriptions Awarded

Joe Minton, vice-president of the Houston association, welcomed the new members. He told how the organization had been incorporated under a Texas charter and of the important work facing the members. Prizes of free subscriptions to any insurance journal

and free membership in the association were awarded the leaders of the winning team. Burke Baker, president of the Seaboard Life, gave his impressions of the national convention held recently at Atlantic City. His discourse covered the humorous incidents that arose during the meeting, the jokes told and the experiences given by some of the leading insurance agents of the country.

### Summarizes Year's Attainments

The accomplishments of the past year on the part of the Houston members were reported by Mr. Hewitt, who said that Dr. Rockwell had been brought to Houston for the first time to conduct a school of insurance and that he was on contract to return this February. He said the national president had been secured for a visit to Houston, that Dr. Huebner was brought here and that the keynote of the future growth was participation in all activities by every member of the body. Mrs. G. A. Ralls, Houston agent with the Northwestern National, also gave her impressions of the Atlantic City meeting and recounted the good she received from it. Guy MacLaughlin, national executive committee member and chairman of the sub-committee on agents' status, spoke on the plans for a college of life underwriters conferring degrees on leading life insurance agents.

### Boosts State Meeting

Don Coates, publisher of "Texas Insurance," outlined the program planned for the state association convention at Dallas Oct. 21-23. He said that a special round trip rate of \$11.45 had been arranged and that in addition to attendance at the business sessions at which some of the most prominent life insurance men will speak, the delegates would also get free admission to the Dallas fair. Other entertainment features have been worked out that will insure every visitor a thoroughly profitable trip, he said. Members discussed institutional advertising in Houston newspapers and H. A. McCelvey, manager of the advertising department of the Houston "Chronicle" outlined the benefits to be secured from this form of publicity.

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Greenville, N. C.—C. C. Clabaugh, general supervisor of agencies of the Maryland Life, addressed the October meeting of the Greenville association. He spoke on the work of the international convention at Atlantic City.

The Greenville association now has under consideration the code of ethics adopted by the National association, which was read at the meeting and highly praised. Though affiliated with the organization, the Greenville association is not a member of the National association and the code is not effective until adopted.

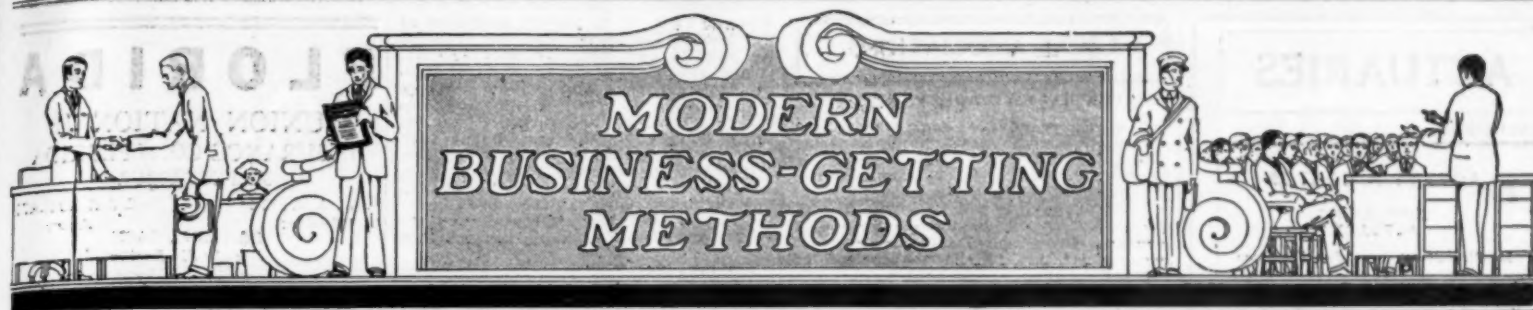
### \*\*\*

Boston—The Boston association arranged a meeting for Friday, devoted to the general subject of "Life Insurance from the Layman's Point of View." The speakers include Lewis E. Kerstein, vice-president of Wm. Filene's Son Co. of Boston, and D. Basil O'Connor, attorney-at-law, and partner of Franklin D. Roosevelt of New York City. These two men are heavy carriers of life insurance and exceptionally well qualified to speak on the subject. Mr. O'Connor is only 33 years of age but carries \$1,050,000. Both men will tell why they carry as much insurance as they do, and what processes of reasoning they went through when buying from the very start.

The Old Colony Trust Company officials of Boston were hosts last week to 100 members of the Boston association at a dinner at which was discussed the relation between life insurance and trust funds and the closer cooperation of trust companies and the insurance men. Vice-President Francis R. Hart of the trust company emphasized the fact that insurance men are engaged in the creation of estates while trust companies are engaged in the conservation of estates. The interests are identical, he said, and it is time both realize this. President Edward I. Brown pointed out the need of protection for the widows and orphans who, on receipt of lump sum insurance payments have too frequently lost them through poor investments or in other ways. Vice-President F. W. Denio of the trust company, explained

(CONTINUED ON PAGE 28)





## Sells Farmer on Argument of Life Values, Using Tactics Like Those of the Experienced Agent in the City

THE problem of selling life insurance in rural communities presents certain peculiar difficulties but the problem is not altogether unlike that of selling to the cityman, according to T. F. Milligan, Mutual Benefit, Spokane, Wash., who has developed a successful technique of his own in selling to farmers, last year paying for \$352,500 on 76 lives.

### Farmer Depends Upon His Ability and Time

In explaining his technique, Mr. Milligan develops some new and sound ideas. These are the premises he proceeds upon. The farmer, like the cityman, depends for success upon his ability and time. He may or may not own property of any great value, and the extent of his operations may range from the smallest to the largest. In many instances he is more or less in debt, and almost always has a dependent family. If he is young or middle aged, more likely than not he has had at least a high school education, and very often is a

college graduate. But whether he has enjoyed educational advantages or not, he has a strong desire to have his children enjoy them.

### Demonstrate Value of Time to Business

"First," says Mr. Milligan, "make him see the value of his time to his business. Show him how he has acquired the ability to make money by his school training and his experience as a farmer. Show him the value of his own ability as measured in terms of income, but that the exercise of ability requires time and personal activity. Income being derived from two sources, capital and personal activity, ask him to estimate on a percentage basis how much of his income is derived from each. Show him how income from both sources depends upon ability, time and personal activity. Make him see how life insurance may be used to meet loss of income through his being involuntarily withdrawn from his business.

"Show him how much capital invested

at 5 percent would be required to replace his personal income and point out that his death would be equivalent to the destruction of this amount of capital from the point of view of his family. Ask him if he is satisfied to face this situation without some means of replacing the loss to the family. At the same time explain how life insurance cheaply and fully replaces such losses.

### Will Guarantee Repayment of Loan Out of His Income

"Second, if he owes money, and most farmers owe plenty, ask him if he intends to repay the loan out of income or capital. As he will answer, 'Out of income,' then show him how income is dependent upon time and personal activity and how the failure of either will affect his income and, in turn, his ability to repay the loan. If the loan is not paid out of income, it will have to be paid out of his estate. Show him he may have the legal but not the moral right to jeopardize his estate by allowing a charge to be placed against it unless provision for its relief is made through life insurance.

"Third, his children will receive their education before they are 25 or not at all. Show him how his income is essential to give them an education and that whether they will go out into the

world equipped to fight its battles or go out under a handicap is a responsibility that rests entirely upon him. Again call his attention to his income being dependent upon time and his activity and how life insurance will enable his children to continue in school if his income is destroyed by death."

### Talks in Terms of Life Value

If the farmer is in the field when he calls, Mr. Milligan declares it is always better to make an appointment with him unless he wants to talk in the field. In conducting the interview he never refers to the amount of grain or livestock necessary to pay for the insurance but talks to him of the value of life as he would to a cityman. This is different from the method usually employed with the farmer and therefore holds his attention, and attention is very necessary to any sale. He also believes it important to drive a good car and keep it looking well and to dress as he does in the city, for the farmer is like the rest of us in that he likes to do business with those who are apparently successful. Finally, Mr. Milligan never talks premium until the idea is sold, making the assumption that the cost of life insurance is measured, as he says, "not in terms of premium but in terms of consequences."

## Life Companies!

6% Real Estate Mortgages  
are a profitable investment

THE Irving National Mortgage Company, an experienced and conservative house, offers to insurance companies for investment an unusually attractive group of 6% First Mortgages which meet in every particular the requirements of insurance companies.

All of these mortgages are secured by First Mortgages on Improved Real Estate located on Chicago's Geat Northwest side, a stable and flourishing section of the city. They are offered only after a most thorough investigation of the property and borrower and after receiving the approval of a loan committee composed of Real Estate men, Contractors and Bankers of wide experience.

This proposition is sound and awaits your investigation. We are confident that we can serve you to advantage.

**Irving National Mortgage Co.**

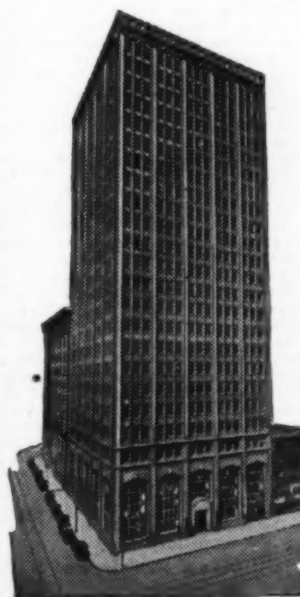
Under National Bank Management

4201 Irving Park Blvd.

CHICAGO, ILLINOIS

Offices with

Albany Park National Bank Irving Park National Bank Portage Park National Bank



HOME OFFICE  
F. & M. BANK BUILDING

## Builders

Our principal strong point is the will to give a service which will be appreciated by our own staff and respected by others.

Operating in the States of Texas and Oklahoma, the Home Office is able to render a type of personal service to Agents that is unbeatable. Writing all modern policy forms, the Company offers choice territory to Agents of ability.

Our records show that policies were issued on 79% of the applications during 1925 within three days after reaching the home office.

**Southern Union Life**

OF

**FORT WORTH, TEXAS**

J. L. Mistrot  
President

Tom Poyner  
Vice-President

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CONSULTING  
ACTUARY

354 Pine Street - San Francisco

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ACTUARY

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Telephone State 7298  
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#### L. A. GLOVER & CO.

Consulting Actuaries

29 South La Salle Street, Chicago  
Life Insurance Accountants  
Statisticians

#### J. H. NITCHIE

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Telephone State 4992 CHICAGO

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Consulting Actuaries

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#### HARRY C. MARVIN

CONSULTING ACTUARY

2185 North Meridian St.  
INDIANAPOLIS, INDIANA

### IOWA

#### L. A. ANDERSON

ACTUARY

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Tel. Walnut 1628

Des Moines Iowa

#### E. L. MARSHALL

CONSULTING ACTUARY

Hubbell Building  
DES MOINES, IOWA

### MISSOURI

#### JOHN E. HIGDON

ACTUARY

424 Argyle Bldg., Kansas City, Mo.

#### ALEXANDER C. GOOD

CONSULTING ACTUARY

1416 Chemical Building  
ST. LOUIS

#### FRED D. STRUDELL

CONSULTING ACTUARY

723 Chestnut St.  
St. Louis

### OKLAHOMA

#### T. J. McCOMB

COUNSELOR AT LAW  
CONSULTING ACTUARY  
Premiums, Reserves, Surrender Val-  
ues, etc., Calculated. Valuations  
and Examinations Made. Policies  
and all Life Insurance Forms Pre-  
pared. The Law of Insurance a  
Specialty.  
Colonial Bldg. OKLAHOMA CITY

## LOCAL ASSOCIATIONS

(CONTINUED FROM PAGE 26)

the workings of the bank's trust department, which now handles some \$135,000,000 in trust funds. Assistant Trust Officer Leslie G. McDouall of the Fidelity Union Trust Company of Newark, N. J., gave a talk illustrated with charts, relative to creating estates, life insurance as an economic factor and other matters relative to the cooperation of insurance and trust companies.

\* \* \*

Akron, O.—C. R. Foster, district manager of the Massachusetts Mutual, was elected president of the Akron association at its meeting last week.

Report was made by H. Doyle Chandler of the international convention at

Atlantic City. O. C. Norton, president of the Toledo Travelers, was the speaker. He said in part that America had attained religious, political and intellectual independence and is now striving for economic security. He brought out the fact that life insurance is the one thing bought on the installment plan which counteracts the millions of other things purchased on the installment plan. Adequate life insurance keeps the installment house moving van from backing up to the widow's door and removing the things purchased on the payment plan.

\* \* \*

Indianapolis—Fred M. Dickerman, manager of the Indianapolis office of the Guardian Life, has been appointed chairman of the legislative committee of the Indianapolis association. Mr. Dickerman was a member of the senate at the last session of the Indiana legislature. An agency qualification bill for life underwriters will probably be sponsored.

## WITH INDUSTRIAL MEN

### WESTERN & SOUTHERN RALLY

Insurance Superintendent H. L. Conn of Ohio Gave Address Before the Men in Cincinnati District

The Western & Southern Life held a meeting at its home office last week, attended by all of the agents in the Cincinnati district, at which Judge Harry L. Conn, Ohio insurance commissioner, was the guest of honor and the speaker of the day. Judge Conn consented to run for judge of the Ohio Supreme Court at the coming election, and President W. J. Williams told the gathering that it was quite possibly the last time that they would have the opportunity of listening to him while he retained his active supervisory interest in life insurance matters.

#### Western & Southern Praised

In his address Judge Conn told the agents that they had every right in being proud of the Western & Southern. Since 1910 its growth had been astounding. He spoke of the great place life insurance held in this country and of the opportunities offered to agents for a satisfactory life work, citing the incident of a foreigner at Cleveland who lost his job and was discouraged to the point of leaving the country when he took up selling industrial insurance to those who spoke his language. Not only has this man made a satisfactory income, but he is rapidly becoming a good American.

Promotion schemes are the bane of the country in the opinion of Judge Conn. In spite of every effort to stamp them out, they will continue to slip in. Any company that can be trusted thoroughly is the exception—a company that may be relied upon to treat everybody fairly without any form of coercion being exercised. In this classification falls the Western & Southern and the other life companies. He pointed out, too, that the policyholders were the customers of the agents rather than the company and therefore each solicitor stood for the high ideals of the latter, whether he realized it or not. In spite of the tremendous business transacted, the number of complaints was negligible. Investigation practically never resulted in substantiating claims.

He was followed by A. I. Vorys, a director of the company and former Ohio commissioner, who spoke in a light vein for a few moments.

#### Legion Memberships

President Williams bestowed Western & Southern legion memberships on those who had qualified. Each five years of continuous service with the company marked the several classes of legion membership. Those honored were C. E. Roettinger, 20 years; A. J. Reiss, 10 years; J. F. Lueders, 10 years; C. E. Nieman, and E. Adler. Parke A. Stewart was awarded a 15-year membership, the continuity of which had been interrupted by several years of illness. Superintendent of Agencies Smith had sought this honor for Mr. Stewart because of his high standard of work and his faithfulness.

#### Devine Goes to St. Paul

Appreciation of meritorious work the Prudential has transferred Arthur Devine from the superintendency of its Mankato, Minn., district to that of a newly created

district in St. Paul; at the same time appointing Percy D. Hindmarsh, an attaché of the St. Paul office, to the superintendency at Mankato. Mr. Devine began his insurance career as a superintendent's clerk in Racine, Wis. He was made an assistant in St. Paul in 1914, seven years later being given a superintendency in Kansas City. In 1924 he was appointed agency organizer at Mankato, subsequently being given the superintendency. Mr. Hindmarsh entered the Prudential ranks as an agent in St. Paul in 1913, becoming an assistant superintendent nine years thereafter. Both appointments become operative Nov. 1.

#### Hampton is Superintendent

G. H. Hampton, formerly supervisor, has been appointed superintendent of the Indianapolis district for the Western & Southern Life.

#### News of the Prudential

Agent Michael J. Reagan of Pittsfield was recently promoted to assistant superintendent of the Prudential in the same district. Saul H. LaVine has been promoted to assistant superintendent in the Rochester No. 1 district. He has been connected with the Rochester No. 1 office as an agent.

#### Public Savings Changes

Recent changes in the field made by the Public Savings are:

Agent R. E. Glaub, Plymouth, Ind., promoted to superintendent. Superintendent B. Humphreys, Indianapolis, South, is transferred to Clinton, Ind., Terre Haute district. Agent J. F. West, Indianapolis South, is promoted to superintendent. Agent N. H. Wilhite, Indianapolis West, is promoted to superintendent.

#### Pilot Life Promotions

The Pilot Life has appointed Lacy McAlister superintendent of agencies in charge of conservation. He will also devote considerable time to the promotion of salary allotment insurance.

James B. Aiken, formerly special agent for the Greenville, S. C., agency, has been appointed superintendent of agencies and will probably go to Texas with a view to developing that state for the Pilot Life. Prior to his going with the Pilot in 1924, he had considerable experience as special agent for the Southeastern Life.

#### ASSISTANT WANTED

Progressive Western Company can use a young man in Agency Department at home office—as assistant to Agency Manager. Splendid opportunity for young man with pleasing personality—some native selling ability and experienced in correspondence and home office routine. Address in confidence T-59, care The National Underwriter, giving full particulars about yourself, experience and salary desired.

## FLORIDA

UNION NATIONAL  
INSURANCE CO. of FLORIDA  
ST. PETERSBURG

MAX A. H. FITZ

President

E. F. H. ROBERTS

Actuary

DR. JOHN L. DAVIS

Executive Vice President  
and Medical Director

AGENTS WANTED for Florida. Issues every desirable form of policy. Automatic reinsurance provides for very large lines. Prompt efficient service.

Address: John C. Roberson,  
Secretary and Actuary,  
First National Bank Building,  
St. Petersburg, Florida.

TWENTY YEARS  
and the  
CONFIDENCE of  
POLICYHOLDERS

assure

OUR AGENTS  
THEIR OWN FUTURE  
is SECURE

Write for  
"FOURTEEN POINTS"

A. M. Hopkins, Mgr. of Agencies

PHILADELPHIA LIFE  
INSURANCE COMPANY

111 North Broad Street  
PHILADELPHIA, PA.

THE  
UNITED STATES LIFE  
INSURANCE COMPANY

In the City of New York

Organized 1850 Non-Participating Policies Only

Over 71 Years of Service to  
Policyholders

Good territory for personal pro-  
ducers, under direct contract.

HOME OFFICE

105-107 Fifth Avenue New York City

#### What's Ahead?

That question is in the mind of every ambitious man. It's in your mind. If the answer does not satisfy, it will pay you to learn the advantages of a life underwriting contract with Fidelity.

Fidelity originated the disability provision, the double benefit feature, and the "Income for Life" plan. It operates in forty states on a full level net premium basis with more than \$68,000,000 in assets and over \$300,000,000 insurance in force.

More than 35,000 direct leads a year from Head Office lead service

THE FIDELITY MUTUAL LIFE  
INSURANCE COMPANY

Philadelphia  
Walter Lamar Talbot, President

#### General Agency Wanted

For Detroit or Michigan. Have produced about \$1,000,000 per year personally. 20 years experience. Good references. Present connection with Eastern company. Want company of good reputation and reasonable size.  
Address T-44  
Care The National Underwriter.